This issue $3.00 $55 a year

June 27, 1985

C2710-1

Special Issue

Advertising Age

Crain's International Newspaper of Marketing

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100 LEADING MEDIA COMPANIES

NEWSPAPER

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June 27, 1985 Special Issue

Advertising Age®

Crain's International Newspaper of Marketing

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Buyouts reshape '84 media rankings

By R. CRAIG ENDICOTT

The nation's media companies as a group no longer sit on the sidelines to watch players in other industries buy and sell properties. They have become what they have publicized. They are the message as shown by their movement within the ADVERTISING AGE list of top 100 media companies for 1984.

No ranking was sacrosanct among the top 100 as they jockeyed for position on the 1984 chart. American Broadcasting Cos. quickly discovered this. ABC, the perennial chart leader in the five years of this report, retained that position in 1984 with $3.65 billion in media revenues, but was bought out in a friendly acquisition by No. 16 Capital Cities Communications earlier this year. And now, No. 2 CBS Inc. is the subject of a hostile takeover bid by Ted Turner (No. 45 Turner Broadcasting Co.).

The acquisition fever that began to simmer in 1983 and continues to a boil in mid-1985 eliminated seven of nine companies from the 1983 list as the they were bought up entirely or piecemeal, generally by other companies on the chart. The top 100 were involved in 48 purchases involving 207 tv, radio and cable properties and 32 print purchases consuming 176 properties.

Composite growth results demonstrate why there is such a buying craze. Media revenues for the top 100 grew to $50.02 billion in 1984, compared with $42.03 billion in 1983 by that same group, an increase of 19.1%. The same companies had aggregate corporate revenues (media and nonmedia) of $87.35 billion, up only 12.8%, which shows why corporations with diverse operations welcome media properties.

Profitability is hard to determine because more than half of the companies on the list are private and don't release earnings. Forty-one public companies on the list had an average 8% return on sales in 1984, up from 6.5%.

The top 100 companies each year are ranked by their total media revenues. In the case of public companies, revenues usually are the media segment revenues published by the companies. Where nonmedia activities overlap in certain "media" segments, the companies usually help extricate the nonmedia revenues.

For the private companies, estimates either were obtained from the companies, provided by media analysts or estimated by AD AGE based on media models. *(See Page 63 for definition of media used in this report.)*

The first four positions on the chart remained the same, with Time Inc. again slipping by RCA Corp. (NBC) for the third spot behind ABC and CBS Inc. Times Mirror Co., jumped two notches to fifth, Gannett Co. remained in sixth, Advance Publications fell two notches to seventh, Knight-Ridder Newspapers again held down No. 8, the Tribune Co. No. 9, and Dun & Bradstreet, fortified with A.C. Nielsen Co.'s revenues, gunned from No. 18 to No. 10, replacing Hearst Corp., which fell to No. 11.

Cover graphics by Avalon Studio

The biggest leap on the chart was not made by Americans but Canadians. Maclean Hunter Communications, which bought the *Houston Post* through a subsidiary late in 1983 and got a full year's revenue stream from the paper in 1984 to move up from No. 80 to No. 43 (only its U.S. properties are counted). Kohlberg Kravis Roberts & Co. vaulted from No. 68 in 1983 to No. 38 on the basis of its investment in Wometco Enterprises and the continued health of its dominant independent tv station, KTLA, in Los Angeles. KKR was represented on the chart in 1983 by KTLA parent Golden West Broadcasting (which KKR owned).

Stagnant media growth did not wash well with this highly competitive group. National Enquirer experienced the same sales in 1984 as in 1983—primarily because of the plethora of entertainment-oriented magazines robbing its space and headlines at the grocery counter—and dropped from No. 65 in 1983 to No. 77. Rogers Cablesystems lost 3% in sales and fell from No. 69 in 1983 to No. 81.

Cable companies were the growth leaders among the top 100, partly the result of cable's newness to the media scene, which makes growth more pronounced. The 41 media companies on the list with cable operations had growth of $5.84 billion in that medium, up 21.8% from 1983.

Cable operators, their growth rates held hostage for years in many franchise areas because of community regulatory resistance to fee increases, are breathing easier this year with passage of the Cable Communications Policy Act of 1984. The act allows cable operators to raise basic rates by 5% annually. The relief bails many operations out of threatened insolvency.

Tv and radio properties were hot potatoes among media properties, being bought and sold with abandon, primarily the result of a buyers-market mentality influenced by the relaxation of maximum ownership rules set by the Federal Communications Commission. The FCC liberalized its 7-7-7 rule (seven am, seven fm and seven tv stations) to 12-12-12, or any combination of stations beneath the 12-12-12 framework once a share of 25% of the U.S. households is reached. Tv, in particular, lived up to its "cash cow" reputation. The 56 media companies with tv and radio properties provided total revenues of $14.39 billion for that medium, up 20.7% from 1983.

The 40 media leaders on the list with magazine operations generated $8.63 billion in sales for that medium, up 16.9% from the previous year. Newspapers were the volume leader as 52 companies on the list contributed $18.88 billion in newspaper revenues in 1984, up 16.6% from 1983.

Proof that media acquisition activity was not just skin deep in plucking off the top media company is found in the new list of characters on the 100 chart in 1984: No. 22 John Blair & Co. entered via its acquisition of ADVO Systems, a shared mail medium. GFV Communications, No. 48, also entered on the basis of its growth in shared mail and free-standing inserts.

Kohlberg Kravis Roberts & Co., No.

(Continued on Page 2)

R. Craig Endicott is ADVERTISING AGE profile issues editor.

The 100 leading media companies by estimated media revenues

Rank	Company	Media revenues
1	American Broadcasting Cos.	$3,650,000
2	CBS Inc.	3,340,100
3	Time Inc.	2,576,000
4	RCA Corp.	2,370,900
5	Times Mirror Co.	1,988,300
6	Gannett Co.	1,960,200
7	Advance Publications	1,900,000
8	Knight-Ridder Newspapers	1,644,700
9	Tribune Co.	1,596,700
10	Dun & Bradstreet	1,400,000
11	Hearst Corp.	1,400,000
12	New York Times Co.	[illegible]
13	Washington Post Co.	984,900
14	McGraw-Hill	963,700
15	Westinghouse Electric Corp.	944,900
16	Capital Cities Communications	939,700
17	Dow Jones & Co.	[illegible]
18	Scripps Howard	[illegible]
19	Cox Communications	[illegible]
20	Triangle Publications	[illegible]
21	Cox Enterprises	[illegible]
22	John Blair & Co.	[illegible]
23	International Thomson Holdings	[illegible]
24	Storer Communications	[illegible]
25	Harte-Hanks Communications	[illegible]
26	Tele-Communications Inc.	[illegible]
27	News America Publishing	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	Thomson Newspapers	[illegible]
35	Media General	$305,000
36	Multimedia Inc.	304,600
37	Copley Newspapers	303,900
38	Kohlberg Kravis Roberts & Co.	302,000
39	American Express Co.	279,300
40	Evening News Assn.	273,100
41	Freedom Newspapers	272,100
42	Warner Communications	271,000
43	Maclean Hunter Communications	270,200
44	Viacom International	[illegible]
45	Turner Broadcasting Co.	[illegible]
46	Pulitzer Publishing Co.	[illegible]
47	McClatchy Newspapers	[illegible]
48	GFV Communications	248,000
49	Cowles Media Co.	232,000
50	Chronicle Publishing Co.	231,000
51	Continental Cablevision	[illegible]
52	Landmark Communications	225,000
53	Morris Communications Corp.	[illegible]
54	Houston Chronicle Publishing Co.	[illegible]
55	National Geographic Society	[illegible]
[illegible]	[illegible] Publications Co.	[illegible]
[illegible]	Reader's Digest Assn.	[illegible]
[illegible]	[illegible] Publishing Co.	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
68	Howard Publications	[illegible]
69	Blade Communications	$157,600
70	Dispatch Printing Co.	152,000
71	Times Publishing Co.	152,000
72	Seattle Times Co.	150,000
73	Chris-Craft Industries	146,700
74	U.S. [illegible] & World Report	143,800
75	LIN Broadcasting Corp.	142,800
76	Petersen Publishing Co.	142,500
77	National Enquirer	142,000
78	United Cable Television Corp.	140,700
79	SFN Cos.	140,200
80	International Data Group	138,000
81	Rogers Cablesystems	134,900
82	H&C Communications	131,600
83	Harcourt Brace Jovanovich	119,400
84	[illegible] Corp.	119,100
85	Courier-Journal & Louisville Times Co.	116,000
86	Penthouse International	115,000
87	Pittway Corp.	115,000
88	Sammons Communications	113,000
[illegible]	[illegible] Communications Corp.	[illegible]
[illegible]	MTV Networks Inc.	109,500
[illegible]	Macromedia Inc.	108,500
[illegible]	Forbes Inc.	[illegible]
[illegible]	McCall Publishing Co.	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
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($ in 000)

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Buyouts

(Continued from Page 1)

38, bought out Wometco Enterprises in March, 1984, for $1 billion and Storer Communications this May for $1.64 billion. No. 9 Tribune Co. this May then bought KKR's KTLA-TV.

Splintered off from other media companies on the 1983 list were new 1984 entries: MTV Networks, No. 90, a combination of MTV: Music Television, VH-1 and Nickelodeon, was carved from No. 42 Warner Communications; and TeleCable Corp., No. 95, was spawned by No. 52 Landmark Communications to give the cable unit greater ability to dip into the financial markets to finance growth. Family Media, No. 63; Ackerley Communications, No. 100, and 13-30/Esquire, No. 99, came in on the basis of their growth in media.

Newcomer SFN Inc., No. 79, played the lower division baseball team that suddenly catches fire at the All-Star break to come home a winner. Formerly known as Scott Foresman, the education book publisher, SFN came on the list primarily on the basis of its ownership of WFTV, the ABC Orlando, Fla., affiliate, which it bought in mid-1984. But SFN held the affiliate less than a year before selling it this June to Cox Enterprises for $60 million more than originally paid for the station. Presumably, SFN won't grow fat from its bonus like many major league winners do after the "big" year.

Because of the newcomers, more media companies moved off the list in 1984 than in any previous year of this report. Again, buyouts were endemic. Ziff-Davis Publishing Co., No. 31 in 1983, sold its consumer magazines to CBS Inc. It tumbled off the 1984 list and promptly fell into the bad graces of CBS, which sued Ziff-Davis for allegedly overstating the earnings of the 12 magazines bought for $362.5 million.

General Electric Co., No. 73 in 1983, continued its trend of de-emphasizing media in 1984, selling its entire cable operation. Southern Progress (*Southern Living, et al.*), No. 81 in 1983, was bought by this year's No. 3 Time Inc.; No. 82 in 1983, Jefferson-Pilot, sold its newspapers to fall from the list; the *Des Moines Register & Tribune*, the basis of the Des Moines Register & Tribune Co.'s 94th ranking in 1983, was sold with other properties to No. 6 Gannett Co. Revenue growth was not hefty enough to keep Rollins Inc., No. 99 in 1983, or Stauffer Communications, No. 100 in 1983, on the list in 1984. Oak Industries, No. 85 in 1983 on the basis of its ON TV subscription tv business, terminated ON TV in 1984 and exited the list.

The top 100 list is never static; a number of companies are packing it up for next year. ABC will be merged under the Cap Cities/ABC logo; No. 28 Metromedia, bought by Rupert Murdoch (No. 27 News America Publishing) will drop off unless Metromedia chairman John Kluge funnels his gains back into media properties.

The properties within News America will undergo considerable shuffling this year as well because the acquisition runs afoul of FCC regulations against media crossownership.

Mr. Murdoch runs into a crossownership conflict in the New York City market with acquisition of Metromedia's WNEW-TV, a leading station in the market. He is expected to sell the *New York Post*. The same situation arises in Chicago with his acquisition of WFLD-TV. The *Chicago Sun-Times*, purchased by News America in 1983 and the reason for News America's strong showing on the list in 1984, is likely to go. To raise cash for the Metromedia buyout, Murdoch sold the *Village Voice* for $55 million this June to Leonard Stern, chairman of Hartz Mountain Industries.

Atlanta newspaper king Cox Enterprises, No. 21, has consumed nearly all of No. 19 Cox Communications, the broadcast unit it spun off in 1964 to raise cash for acquisitions. It always had a big stake in the broadcast unit, holding some 40.2% of the company even when sending it public.

Warner Communications, No. 42, and American Express, No. 39, which share the nation's sixth largest multiple system operator—Warner Amex Cable Communications, which essentially is the reason for their high media rank—may be at the end of their joint venture. American Express has agreed to sell its share of the system—to a joint venture of the nation's two leading msos, Tele-Communications Inc. and American Television & Communications Corp., a Time subsidiary.

Warner, which divested its MTV Networks in 1984 and seems to be thinning down to its Warner Bros. origins, has yet to give its blessing to the deal, which must happen before Warner Amex can be sold.

Other acquisition activity this year among the 100 should produce higher rankings for the buyers in 1985. Advance Publications, known in the trade as Newhouse, bought *The New Yorker* and its ownership in several small but profitable magazines; Hearst Corp. is buying WCVB-TV in Boston for $450 million, the second largest purchase price for a tv station (the KTLA-TV purchase at $512 million so far is the largest) from Mr. Murdoch.

Mr. Murdoch is selling WCVB-TV because of its conflict with News America's *Boston Herald-American* in the same market and, probably more importantly, because it will bring the most money among the six Metromedia tv properties bought by Mr. Murdoch to help pay off the debt incurred by the $2 billion purchase price.

The Washington Post Co. has agreed to purchase Cap Cities' cable operations; Taft Broadcasting acquired Gulf Broadcasting's five tv and seven radio properties for $760 million in late 1984; and then there is the drama of the Ted Turner effort to snag CBS.

All this buyout activity is taking its toll on stockholder freedom and board member maneuverability as media companies have developed a number of so-called "shark-repellent" moves to thwart hostile takeover attempts.

CBS leads the pack—many of its measures being aped by other media companies. CBS has amended its bylaws to stop shareholders with 10% of CBS stock from calling a special shareholders meeting. The idea is to prevent a small group of shareholders from "harassing CBS by calling special meetings for the purpose of publicizing their demands," a CBS official says. A revision in the bylaws now allows the CBS chairman to dismiss business "not properly presented" at its annual board meeting and limit time for discussion at the annual meeting.

Media companies also have limited shareholders rights by concentrating voting power in the hands of management, a controlling family or other group that the board considers reliable. Meredith, with its biggest block of voting share—32%—in the hands of the founding E.T. Meredith family, approved an 80% requirement for either the removal of a director or to vote for a merger. Meredith, like Gannett and Tribune Co., also voted to stagger the terms of its board of directors.

Gannett shareholders in their May, 1985, annual meeting approved a fair-price amendment, which requires that all stockholders be offered the same price for shares in a tender offer.

Tribune Co. tripled its authorized common shares in a shareholders meeting May 3 to impede a takeover. The move means considerably more stock must be assembled in a takeover, and existing holdings now are diluted.

Multimedia Inc., tiring of fending off takeovers, is recapitalizing by permitting shareholders to cash in their shares and retain some equity in the company for a small investment.

Takeover activity spurs the targeted company to deplete its cash and increase its debt to become less attractive. That means the takeover target is in the takeover business itself to keep from being taken over. That's a vicious circle that continues to swirl about the media companies.

Such is the result when the medium becomes the message.#

JOHNNY'S GROWN UP. AND HE'S GOTTEN FUSSIER ABOUT HIS SPORTSWEAR.
People
WE'RE BOOMING

Snapshots from the '50s to illustrate the theme that "We're booming" was People magazine's way of telling advertisers what the baby boomers are reading today.

© 1980 L.A. Olympic Committee

The Summer Olympics made a good year out of a so-so one for ABC Network. Spots, up to $435 million for 30 seconds, helped ABC win 40% of the sales total of the three nets, but ABC dropped to third in the ratings.

Mobil Oil, a heavy spender on the nation's op-ed pages, particularly the Wall Street Journal, yanked its nearly $1 million ad budget from the WSJ when it became upset with the Journal's coverage.

WHY NOT THE BEST? (A SPECIAL CONSUMER GUIDE P. 81)
VOICE
YOU'VE REALLY GOT A HOLD ON ME

Village Voice is the first Rupert Murdoch property to be sold following his acquisition of Metromedia broadcast units. The sale helps raise funds for other media deals.

Tina Turner, depicted as "one of the drab homebodies" who reads McCall's, joined Cher ("a typical mother"), Carly Simon and Diane von Furstenburg as part of the magazine's campaign to show McCall's is rapping with the baby boomers.

SUNDAY

5

MAY 1985

Mark your calendar for Sunday, May 5.
That's the day a great newspaper gets even better.

Dallas Times Herald

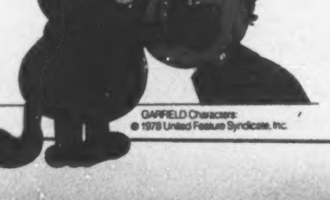
May 5 was the day that went down as Super Sunday at the Dallas Times Herald. Ads calendared a schedule of new moves at the paper which is in a pitched battle with the Dallas Morning News.

Publicly held MTV Networks, which in addition to the music network includes VH-1 and Nickelodeon, offers special food to the platter-minded rock fan as its logo suggests.

MTV
MUSIC TELEVISION™

"Dynasty" stars Linda Evans, John Forsyth and Joan Collins kept ABC Network's ratings buoyed, but not enough to prevent CBS and NBC networks from overtaking it in the ratings sweeps.

CBS brought to the tv screen Scripps Howard's Garfield (United Feature Syndicate), the eccentric feline, in a special called "Garfield in the Rough."



GARFIELD Characters:
© 1978 United Feature Syndicate, Inc.

The New York Times Magazine launched several new Section 2s—self-contained offerings like "The World of New York" that came wrapped in the Sunday paper—that boosted magazine ad revenues 5.3% to $33.9 million.

The New York Times Magazine
THE WORLD OF NEW YORK

Top 100 media companies record total media revenues of $50.02 billion, up 19.1% from 1983, but buyouts give the 1984 list a different look as nine new entries make the rankings.

Leading media companies play acquisition roulette in building a revenue base

A.S. Abell Co.
Baltimore
RANK 62

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	195	170	14.7
Total sales	195	170	14.7
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	130	120	15.8
Magazine	0	0	0
Broadcast	56.0	50.0	12.0
Cable	0	0	0

A.S. Abell Co., Baltimore, a privately held company, reports revenues increased 14.7% to $195 million in 1984, all from media, making it the 62nd largest media company.

Abell has two divisions, A.S. Abell Publishing Co. (Baltimore Sunpapers, *Country* magazine, *Ski Racing* and a tabloid newspaper) and A.S. Abell Communications.

The communications division has undergone major restructuring. On June 1, 1985, it completed an agreement to acquire independent WRLH-TV in Richmond, Va., from TVX Broadcast Group. The acquisition was part of a transaction begun in 1984 through which Abell sold its six radio stations.

Ownership of the stations, WMAR (fm) Baltimore (now WMKR), WTJZ (am) Newport News, Va., and WNVZ (fm) Norfolk, Va., WCFI (fm) Daytona Beach, Fla. and WCRJ (am, fm) in Jacksonville Fla., was transferred in March, 1985, from Abell to newly formed S&F Communications, Baltimore.

That company is headed by president Stuart Frankel, former president of Abell's radio division, and Steven Seymour, chairman-ceo of S&F, and former ceo at A.S. Abell Communications.

Abell Communications has appointed a new president, Arnold Kleiner, who also is general manager of the company's Baltimore tv station, WMAR-TV. Abell Communications is paring its holdings, Mr. Kleiner says. "By September, we will be only in television stations. We know television," he says. "We were not willing to devote the time and resources necessary to run a successful radio operation."

In 1984, Abell Communications also sold its Welcome USA in-hotel video advertising service to minority partners. The service operates in Miami, Baltimore and Washington.

WMAR-TV, an NBC affiliate, last year benefited from the resurgence of the network. The station also renegotiated its long-term agreement to televise Baltimore Orioles baseball games. Revenues for WMAR-TV were estimated at $32 million in 1984.

For Abell Publishing, 1984 was a year of increased growth in revenues and holdings. In March, 1984, a new all-day edition of the Saturday *Sun* was introduced. The Saturday edition uses the combined staffs of the *Baltimore Sun* and the *Baltimore Evening Sun*.

It had an average circulation of 322,478 in March 31, 1985, according to Audit Bureau of Circulations. Circulation was stagnant for the combined daily at 349,901 vs. 349,182 for the same period a year earlier. Sunday circulation increased 1.7% to an average of 414,330, according to ABC.

According to Jerry Smolinski, *Sun* public affairs manager, the Sunday *Sun* had a record high average circulation of 430,285 in March, 1985. The morning *Sun* also achieved a record high in March, 1985.

The newspapers expanded their dominance in the Baltimore market by introducing a fourth zoned county edition, the *Carroll Sun*. The tabloid began publishing in October as a regular insert in the Sunday *Sun*.

The Sunpapers carried 82% of full-run advertising linage in the Baltimore market in 1984. The newspapers show a 6% increase in daily and 13% increase in Sunday color advertising, based on a comparison of comparable five-month periods in 1984 and 1985, Mr. Smolinski says.

Editorially, the Sunpapers focused on developing new sections and the Saturday *Sun*. The papers were awarded two Pulitzer Prizes in 1985, the 11th and 12th in the paper's history.

For *Country* magazine, 1984 was a year of spectacular increases. In January, 1985, it began offering a guaranteed circulation of 100,000, compared with 70,000 in January, 1984. Yearend circulation for 1984 rested at 81,072.

Walter Nicklin, publisher-editor of *Country*, says the magazine's ad pages grew to 501.8 for 1984, compared with 337.8 for 1983. With gains in circulation, the magazine's cpm actually has declined, though ad rates have climbed to $4,240 per page in 1985 from $2,000 in 1984. Advertising growth is continuing in 1985 at a 25% increase over 1984 levels.

"There's a common life style in the area from Pennsylvania to North Carolina," Mr. Nicklin says. "We are reaching an area not covered by *Southern Living* or the New England magazines like *Yankee*. Our message is starting to come through. This is the first year that advertising revenues have exceeded circulation revenues."

Ski Racing, published in Poultney, Vt., was purchased by Abell in March, 1984. According to Don A. Metivier, editor-publisher, the magazine publishes 20 issues during the ski racing season and a glossy annual directory of competitors. During the annual March ski trade show in Las Vegas, the paper publishes daily issues. *Ski Racing* has a circulation of 30,000, primarily in the U.S. and Canada, though the newspaper has international coverage.

MEDIA PROPERTIES

Broadcasting

TV: WMAR, Baltimore; WRLH, Richmond.

Magazines

Country, Ski Racing, Ski Show Daily.

Newspapers (dailies)

MARYLAND: *Baltimore Sun, Baltimore Evening Sun, Sunday Sun.*

Ackerley Communications
Seattle
RANK 100

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	90	80	12.5
Total sales	98	80	23.1
Net income	-7.3	-769	-849.4
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	13	20	-32.3
Cable	0	0	0

Ackerley Communications, Seattle, the nation's 100th largest media company with media revenues increasing an estimated 12.5% in fiscal 1984 compared to an estimated $90.1 million in 1983, is expecting similar growth in 1985 with the addition of two new radio stations and a tv property.

Ackerley, which had total revenues of $97.9 million in 1984, derived an estimated 72.3% of that from its outdoor and airport board operations, 20.2% from broadcast and the remainder from the Seattle Supersonics.

While revenues are growing, the bottom line has been sagging, primarily a result of servicing the debt incurred from acquisitions. The company suffered a net loss of $7.3 million in 1984, compared with losses of $769,000 and $324,000 in 1983 and 1982, respectively.

President Barry Ackerley, a former advertising salesman for *Better Homes & Gardens*, shrugs off last year's losses and insists that the company's performance be judged by cash flow rather than profits.

And the cash has flowed. Since 1980, revenues have almost tripled and operating income has increased more than 200%. Continuing into 1985, Ackerley will add in the first full year of revenues from Seattle's KJR (am), which it bought from Metromedia for $6 million May 28, 1984, and add partial year revenues from KSGO (am) and KGON (fm) when that deal is closed. The company is acquiring the latter two, both Portland, Ore., rock stations, from the Des Moines Register & Tribune Co. Ackerley also is awaiting FCC approval of its purchase of KVOS-TV in Bellingham, Wash., from WBC Broadcasting Corp., a spinoff of Miami-based Wometco Broadcasting. Purchase price for these three properties is $32 million. Also in 1984, the company failed in its bid to acquire KZAZ-TV in Tucson.

Founded in 1975 as an outdoor advertising company, Ackerley Communications has grown quietly but rapidly through a series of acquisitions. Since 1982, Ackerley has spent $62 million to purchase three tv stations, a radio station and a National Basketball Assn. franchise.

Continued growth through acquisition is the company's stated goal. "We're not sellers," Mr. Ackerley says. "We never sell. We just buy." Financed primarily by long-term debt that stood at more than $95 million at the end of 1984, Ackerley's diversification strategy targets companies that complement its advertising presence in major metropolitan markets.

Last year's purchase of the Seattle SuperSonics ($20 million), for example, ties in with the company's outdoor boards, airport displays, radio and tv stations in the Seattle area. Despite lagging ticket sales, Ackerley says the Sonics have "great synergy with other marketing vehicles."

Ackerley Communications is the nation's third largest outdoor advertising company, with about 11,000 signs concentrated in Seattle/Tacoma, Wash.; Portland/Salem, Ore.; Miami/Fort Lauderdale, Fla., and Boston/Worcester, Mass.

Prospects for growth through acquisition in the outdoor business are limited because there are few, if any, board companies for sale that concentrate on the top 25 areas of dominant influence.

Although the company eschews publicity, Ackerley's legal battles with numerous cities over outdoor board regulations often have brought it before the public eye. Purchase of the SuperSonics has made Ackerley more visible in the Pacific Northwest. Still, when the company bid $156.5 million for the Des Moines Register & Tribune Co. earlier this year against major media companies such as Dow Jones & Co., many industry analysts had never heard of Ackerley Communications. Although Gannett's offer of $200 million ultimately snagged the *Register*, Ackerley succeeded in picking up the two Portland radio stations.

In 1981, Ackerley purchased Transportation Displays for $12 million, and it is now the nation's largest airport advertising company, with some 6,000 displays in more than 100 airports. Airport users are a "very high-class audience," Mr. Ackerley says, and looks to this part of the company's business as a continuing source of growth.

Ackerley is making a major move into broadcast media and the company is moving quickly. It jumped into tv in 1982 with the purchase of WIXT-TV, an ABC affiliate in Syracuse, N.Y. The next year, it spent $42 million for two stations—KKTV-TV in Colorado Springs, Colo., and KGET-TV in Bakersfield, Cal. While Mr. Ackerley says he would love to own a tv station in Seattle to tie in with his other properties, FCC rules won't permit such cross-ownership.

Ackerley, which has purchased all its radio properties since the beginning of 1984, plans to continue to acquire broadcast properties, especially radio stations, in markets where outdoor advertising can provide promotional support.

Privately owned, Ackerley in May went public by converting debentures into common stock. The debentures were issued in the early 1980s to finance acquisitions. Mr. Ackerley controls 93% of the voting stock.

MEDIA PROPERTIES

TV: WIXT, Syracuse, N.Y.; KKTV, Colorado Springs, Colo.; KGET, Bakersfield, Cal.; KVOS-TV, Bellingham, Wash. (pending FCC approval).
RADIO: KJR (am), Seattle; KSGO (am) and KGON (fm), Portland, Ore.

OTHER MEDIA

Ackerley Communications (outdoor), Transportation Displays (airport transit signage).

OTHER OPERATIONS

Seattle SuperSonics franchise.

RANK

Advance Publications 7

New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	1,900	1,740	9.2
Total sales	2,000	1,940	3.1
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	1,250	1,194	4.7
Magazine	490	406	20.7
Broadcast	0	0	0
Cable	160	140	14.3

Advance Publications, New York, the umbrella company for the holdings of the family of the late S.I. Newhouse, is the nation's 7th largest media company, with $1.9 billion in media revenues, a 9.2% increase over 1983.

Total revenues were about $2 billion, generating operating profits of $180 million, estimates John Morton, newspaper industry analyst with Lynch, Jones & Ryan, Washington. Privately held Advance releases no financial data.

Revenues from media operations account for more than 90% of the company's total. Media operations include some of the nation's largest newspapers in addition to Conde Nast magazines and cable operations.

Advance's stable of media properties remained basically unchanged through 1984—with the exception of the sale early in the year of the *St. Louis Globe-Democrat*—but big change occurred May 7, 1985, with the purchase of the New Yorker Magazine Inc., parent of prestigious *The New Yorker* magazine. The New Yorker Magazine Inc. media revenues in 1984 were $66.9 million, or 82.3% of its total revenues incorporating book publishing.

In 1984, Advance sold the *St. Louis Globe-Democrat*, a money-losing morning daily in that city that had been linked with the Pulitzer family's *Post-Dispatch* through a joint operating agreement.

A joint operating agreement is a business combination of two competing newspapers, one of which is losing money, allowed under the federal Newspaper Preservation Act.

The *Globe-Democrat* was sold to Jeffrey Gluck, publisher of several magazines including Saturday Review, for a price estimated at less than $1 million. It retained 50% of the JOA that handles all the business functions for the *Globe-Democrat*.

Circulation at most of Advance's dailies remained generally stable, according to the ABC FAS-FAX report for the six months ended March 31, 1985. At the *Star-Ledger*, in Newark, N.J., daily circulation was up slightly to 434,804, and Sunday circulation increased 1% to 661,037. At the *Cleveland Plain Dealer*, daily circulation was down 5% to 464,251, while Sunday circulation was up 7% to 542,682. And at the Portland, Ore., *Oregonian*, daily circulation was up 7% to 309,395 and Sunday circulation was up slightly more than 2,000 to 410,519.

Revenue figures for newspapers published by Advance are not available. However, the newspaper industry in general posted ad revenue gains of about 15%, with the strongest gains coming in classified advertising.

At *Parade*, Advance's Sunday newspaper-distributed magazine, circulation was up more than 1 million to 25,153,000, according to the magazine's January estimates. Despite the increases, ad pages were off 14% to 640, and ad revenues fell 8.6% to $157.3 million from 1983 totals, according to Publishers Information Bureau.

The Conde Nast magazine group turned in a strong performance in 1984, with six of the nine titles posting circulation gains and all but one showing increases in ad pages.

Among the titles, *Bride's* circulation was up 9.6% to 342,349, ad pages were up 4.4% to 1,911 and ad revenues were up 16.3% to $22.6 million. *Glamour* circulation was up 0.6% to 2,288,988, ad pages were up 6.8% to 2,165 and ad revenues were up 20.4% to $70.5 million. *Gourmet* circulation was up 5.2% to 664,501, ad pages were up 6.7% to 995 and ad revenues were up 18.4% to $13.9 million.

Gentlemen's Quarterly circulation was up 12% to 642,156, ad pages were up 32.8% to 1,922 and ad revenues were up 54% to $26.7 million. *House & Garden* circulation was down 1.8% to 574,915, ad pages were up 32.5% and ad revenues were up 46.4% to $18.9 million.

Mademoiselle circulation was down 4.3% to 1,211,080, ad pages were up 6.9% to 1,683 and ad revenues were up 23.2% to $35.7 million.

Self circulation was down 2.3% to 1,066,181, ad pages were up 24.8% to 1,157 and ad revenues were up 40.7% to $24.1 million. *Vanity Fair* circulation was up 2.2% to 265,564, spurred by a 33% cut in the magazine's newsstand price and a 50% cut in the cost of subscriptions. Ad pages were down 34.9% to 335 and ad revenues were off 35.7% to $4 million.

At *Vogue*, circulation was up 6.7% to 1,218,742, ad pages were up 11.4% to 3465 and ad revenues were up 20.3% to $67.3 million.

The circulation figures quoted in this article are Audit Bureau of Circulations figures based on the six months ended Dec. 31, 1984. Comparisons are with Dec. 31, 1983, figures. Ad page and revenue data are according to Publishers Information Bureau.

The New Yorker Magazine Inc. purchase brings to Advance more than just its famed flagship, *The New Yorker*. The company is made up of several wholly and partially owned segments, all of them media-oriented: 100% of Boulder Enterprise, Boulder, Colo., a printing company; 69% of Horticulture Associates, Boston, publisher of *Horticulture*; 51% of Pennington Publishing Partners Limited Partnership, Westport, Conn., publisher of the *Cook's Magazine*; 38.6% of Raven Press Books, a medical books and journals publisher, and 10% of Terre Haute Newspapers, Terre Haute, Ind., publisher of the *Tribune-Star* in that community.

The buyout by Advance, valued at $168 million, climaxed an extraordinary period for New Yorker Magazine Inc. that began with a change in top management and finished with an end to its 60 years as an independent company.

George Green, president, left in March, 1984, to become exec vp-group publishing director, Hearst Magazines; he was succeeded by J. Kennard Bosee, formerly vp-treasurer.

Last November, Advance chairman-president S.I. Newhouse Jr. disclosed he had bought 17% of New Yorker Magazine Inc.'s stock at $180 a share, or about $25.6 million, describing the purchase as an investment, without plans to seek control of the company.

Just three months later, however, he made a bid for the 83% of the company's stock he did not own, again at $180 a share. When the bid was raised to $200 a share—$142.4 million for the remaining stock—New Yorker Magazine Inc.'s board agreed unanimously to the acquisition.

Data were available for Advance's cable properties.

MEDIA PROPERTIES

Cable/video

MetroVision Inc., serving ILLINOIS: Blue Island, Berwyn, Crestwood, Hickory Hills (90% interest), Melrose Park, Midlothian, Northlake, Palos Hills, Posen, Stickney, Tinley Park, Westhaven. INDIANA: Portage. KENTUCKY: Newport. LOUISIANA: St. John the Baptist Parish. NEBRASKA: Auburn, Crete, David City, Fairbury, Fremont, Humbolt, Lincoln, Nebraska City, Pawnee City, Seward, Superior, Table Rock, Tecumseh, York. OHIO: Green Township. TEXAS: Belton, Belmead, Beverly Hills, Greenville, Killeen, Lacey-Lakeview, Robinson, North Woodway, Temple, Waco. WISCONSIN: Lannon (90% interest), Menomonee Falls. WYOMING: Sheridan. Also, NewChannels Corp. serving ALABAMA: Anniston, Eufala, Greenville, Wetumpka. NEW YORK: Binghamton, Carthage, Cooperstown, Corning, Delhi, Fulton, Malone, Massena, Ogdensberg, Oenonta, Potsdam, Rome, Sidney, Syracuse, Troy. PENNSYLVANIA: Canonsburg, Coraopolis, Crescent Township, Moon Township, Neville Township. Also, Vision Cable Communications, serving FLORIDA: Clearwater (90% interest), Kenneth City, Pinellas Park. LOUISIANA: Alexandria, Houman. NEW JERSEY: Fort Lee. NORTH CAROLINA: Albemarle, Concord, Jacksonville, Morehead City, Salisbury, Shelby, Southport, Wilmington. PENNSYLVANIA: DuBois. SOUTH CAROLINA: Darlington, Florence, Sumter. Also Eastern Microwave, a common carrier serving the northeast with cable, voice and data as well as bringing superstation WOR-TV to all 50 states.

Magazines

Conde Nast Publications: *Bride's, Glamour, Gourmet, GQ, House & Garden, Mademoiselle, Self, Vanity Fair, Vogue.* Conde Nast Publications Ltd.-England. Les Editions Conde Nast SA-France. Edizioni Conde Nast SPA-Italy. *The New Yorker. Parade*, the Sunday magazine.

Newspapers (dailies)

ALABAMA: *Birmingham News & Post-Herald, Huntsville Times, Huntsville News, Mobile Press, Mobile Register.* LOUISIANA: *New Orleans Times-Picayune/States-Item.* MASSACHUSETTS: *Springfield Republican, Springfield Union News.* MICHIGAN: Booth Newspapers-*Ann Arbor News, Bay City Times, Flint Journal, Grand Rapids Press, Jackson Citizen Patriot, Kalamazoo Gazette, Muskegon Chronicle, Saginaw News.* MISSISSIPPI: *Pascagoula Press* and *Chronicle.* NEW JERSEY: *Jersey Journal* (Jersey City), *Newark Star-Ledger.* NEW YORK: *Staten Island Advance, Syracuse Herald-Journal, Syracuse Post-Standard.* OHIO: *Cleveland Plain Dealer.* OREGON: *Portland Oregonian.* PENNSYLVANIA: *Harrisburg Patriot-News.*

Other Properties

Random House Inc., New York: Alfred A. Knopf, Ballantine Books, Vintage Books, Modern Library and Random House.

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63 **Return on sales of publicly held leading media companies**

RANK

Affiliated Publications 32

Boston

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	344	294	17.0
Total sales	344	294	17.0
Net income	27.4	22.3	23.0
Sales per medium			
Newspaper	328	279	17.6
Magazine	0	0	0
Broadcast	16	15	12.4
Cable	0	0	0

Affiliated Publications' flagship, the *Boston Globe*, continued to dominate the Boston market, despite feisty competition from Rupert Murdoch's *Herald*, and lead the company to the most profitable year in Affiliated's history.

Revenues, all in media, were $343.8 million in 1984, an increase of 17% over 1983, making the company the nation's 32nd largest media company. Operating income jumped 19.8% to $60.4 million, while net income rose 23% to $27.4 million.

The *Globe* provided $327.5 million of Affiliated's revenue for the year. The newspaper had a 10.9% increase in advertising linage over 1983. Classified linage showed the largest gain. The *Globe's* daily circulation March 31, 1985, was 510,567, up 306 subscriptions from the year-earlier period, and the *Sunday Globe* reached 802,891, up 1.2%, according to Audit Bureau of Circulations. Both the daily and Sunday circulations were the highest the newspaper ever achieved.

By contrast, growth at the competing *Herald* has been more dramatic. ABC reports daily circulation of 368,027, up 13.2%, and Sunday circulation of 308,823, up 11.8%, during the same period. The *Herald* has been capitalizing on its Wingo contest and an additional promo tied in to the popular state lottery in which lottery ticket numbers are selected by the paper for cash prizes.

Broadcasting properties in 1984 generated $16.3 million in revenues. Affiliated owned and operated five am stations and five fm stations at the close of 1984, but since has acquired two fm stations, KHEP in Phoenix and KFYE in Fresno, Cal., and is in the process of selling WHYN (am, fm) in Springfield, Mass., and WFAS (am, fm) in White Plains, N.Y.

The acquisition and sale of broadcast properties result from changes in Affiliated's strategic plan. The official company position is that the move is part of a repositioning plan for Affiliated's broadcast properties to target the 25-to-54 age group. Industry observers also see the plan as one to exchange properties in the slower-moving Northeast for fast-track units in the West.

The company has not been involved in the large-scale acquisitions that are sweeping the media industry, but the board of directors at a May, 1984, meeting made technical changes in the corporation's rules that would make an unfriendly takeover more difficult. Essentially, the change made it more difficult to convene the board, requiring a greater number of board members to agree upon the need for a meeting. The company is not currently, nor is it believed to have been, a target of an acquisition attempt.

Controlling interest of Affiliated is held by the Taylor and Jordan family trusts. William O. Taylor is the *Boston Globe* publisher and chairman of the board. During 1985, Affiliated, through its interest in McCaw Communications, is seeking to add eight new cities to its cellular phone business.

A major personnel change occurred when the *Globe's* editor of 20 years, Thomas Winship, retired and Michael Janeway moved from executive editor to fill Mr. Winship's position.

MEDIA PROPERTIES

Broadcasting

RADIO: KHEP (fm), Phoenix; KFYE (fm) Fresno, Cal.; KRAK (am) and KEWT (fm), Sacramento, Cal.; WOKV (am) and WAIV (fm), Jacksonville, Fla.; WHYN (am, fm), Springfield, Mass.; WFAS (am), White Plains, N.Y.; KMPS (am, fm), Seattle.

Cable/video

Forty-five per cent ownership in McCaw Communications with cable locations in ALASKA: Fairbanks, Juneau, Ketchikan, Sitka. OREGON: Redmond, St. Helens, Scappose and Columbia City. Affiliated and McCaw have joint ventures in cable tv systems in Grants Pass, Klamath Falls, Roseburg, Medford. WASHINGTON: Centralia, Chehalis, Tenino, Oakville, Cle Elum, North Bend, Yakima, Selah, Union Gap, Wapato, Toppenish, Omak, Okanogan, Langeley, Whidbey Island, Ferndale, Blaine, Lynden, Everson, Nooksack.

Newspapers

MASSACHUSETTS: *Boston Globe.*

OTHER OPERATIONS

McCaw Communication's radio common carrier systems: Serving 14,500 subscribers in Alaska, Idaho and Washington, and its cellular radio franchises (13.5% owned) in Seattle and Portland.

RANK

Allbritton Communications Corp. 89

Washington

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	112	102	9.4
Total sales	112	102	9.4
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	41	39	5.1
Magazine	0	0	0
Broadcast	71	63	12.0
Cable	0	0	0

Allbritton Communications Co., Washington, with 1984 media revenues estimated by ADVERTISING AGE at $112 million, and ranked the nation's 89th largest advertiser, has moved to build advertising at its newspapers through such devices as "ad-mobiles" and is contemplating buying more tv stations.

The privately held company is owned by Joe Allbritton, former owner of the now-defunct *Washington Star.* The company continues to operate

100 leading media

Rank		Company	City	Media revenues			Total revenues			'84 media revs	Net income		
1984	1983			1984	1983	% chng	1984	1983	% chng	as % of total	1984	1983	% chng
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6	6	Gannett Co.	Rochester, N.Y.	1,960,200	1,671,200	17.3	1,960,200	1,703,700	15.1	100.0	223,934	191,665	16.8
7	5	Advance Publications	New York	1,900,000	1,740,200	9.2	2,000,000	1,940,200	3.1	95.0	N/A	N/A	N/A
8	8	Knight-Ridder Newspapers	Miami	1,664,700	1,473,400	13.0	1,664,700	1,473,400	13.0	100.0	140,000	119,435	17.2
9	9	Tribune Co.	Chicago	1,596,700	1,397,400	14.3	1,794,400	1,586,500	13.1	89.0	103,043	69,267	48.8
10	18	Dun & Bradstreet	New York	1,400,000	1,301,500	7.6	2,397,300	2,060,500	16.3	58.4	521,561	218,651	138.5
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16	16	Capital Cities Communications	New York	939,700	762,300	23.3	939,700	762,300	23.3	100.0	143,000	115,000	24.3
17	14	Dow Jones & Co.	New York	926,000	816,700	13.4	965,620	866,437	11.4	95.9	129,140	114,224	13.1
18	17	Scripps Howard	Cincinnati	829,000	750,600	10.4	N/A	807,300	N/A	N/A	N/A	N/A	N/A
19	21	Cox Communications	Atlanta	684,140	537,600	27.3	742,800	614,600	20.9	92.1	77,900	65,400	19.1
20	20	Triangle Publications	Radnor, Pa.	657,000	579,300	13.4	657,000	579,300	13.4	100.0	N/A	N/A	N/A
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26	25	Tele-Communications Inc.	Denver	449,416	347,300	29.4	449,416	368,400	22.0	100.0	17,382	20,532	(15.3)
27	30	News America Publishing	New York	439,900	303,800	44.8	463,100	320,300	44.6	95.0	N/A	N/A	N/A
28	24	Metromedia Inc.	Secaucus, N.J.	430,000	383,600	12.1	646,081	532,800	21.3	66.6	(51,382)	(102,179)	49.7
29	27	Oklahoma Publishing Co.	Oklahoma City	389,200	335,200	16.1	N/A	N/A	N/A	N/A	N/A	N/A	N/A
30	26	Central Newspapers	Indianapolis	380,000	346,000	9.8	380,000	346,000	9.8	100.0	N/A	N/A	N/A
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36	36	Multimedia Inc.	Greenville, S.C.	304,400	269,700	12.9	304,400	269,700	12.9	100.0	33,700	35,174	(4.2)
37	43	Copley Newspapers	La Jolla, Cal.	303,900	236,700	28.4	308,600	240,900	28.1	98.5	N/A	N/A	N/A
38	68	Kohlberg Kravis Roberts & Co.	Los Angeles	302,000	299,300	0.9	302,000	299,300	0.9	100.0	N/A	N/A	N/A
39	39	American Express Co.	New York	279,300	252,700	10.5	12,895,000	9.770,000	32.0	2.2	610,000	515,000	18.4
40	38	Evening News Assn.	Detroit	279,100	260,200	7.3	N/A	N/A	N/A	N/A	N/A	N/A	N/A
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
46	42	Pulitzer Publishing Co.	St. Louis	256,000	242,000	5.8	256,000	242,000	5.8	100.0	N/A	N/A	N/A
47	46	McClatchy Newspapers	Sacramento, Cal.	255,000	215,000	18.6	255,000	215,000	18.6	100.0	N/A	N/A	N/A
48	N/A	GFV Communications	Livonia, Mich.	246,000	182,200	35.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A
49	44	Cowles Media Co.	Minneapolis	232,000	209,500	10.7	232,000	209,500	10.7	100.0	15,700	28,500	(44.9)
50	N/A	Chronicle Publishing Co.	San Francisco	231,000	N/A	N/A	251,000	N/A	N/A	92.0	N/A	N/A	N/A
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
56	74	Ingersoll Publications Co.	Lakeville, Conn.	207,000	129,000	60.5	207,000	129,000	60.5	100.0	N/A	N/A	N/A
57	47	Reader's Digest Assn.	Pleasantville, N.Y.	204,500	202,500	1.0	1,567,000	1,500,000	4.5	13.1	N/A	N/A	N/A
58	58	Cahners Publishing Co.	Boston	200,000	160,000	25.0	270,000	200,000	35.0	74.1	N/A	N/A	N/A
59	53	RKO General	Akron, O.	200,000	175,700	13.8	371,000	335,400	10.6	53.9	N/A	N/A	N/A
60	56	Donrey Media Group	Fort Smith, Ark.	198,000	169,000	17.2	198,000	169,000	17.2	100.0	N/A	N/A	N/A
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
66	66	Taft Broadcasting Co.	Cincinnati	171,500	140,800	21.8	453,824	380,955	19.1	37.8	39,156	38,035	2.9
67	59	Playboy Enterprises	Chicago	166,300	158,500	4.9	187,100	193,700	(3.4)	88.9	27,336	(17,493)	256.3
68	62	Howard Publications	Oceanside, Cal.	166,000	150,000	10.7	166,000	150,000	10.7	100.0	N/A	N/A	N/A
69	64	Blade Communications	Toledo, O.	157,600	143,300	10.0	157,600	143,300	10.0	100.0	N/A	N/A	N/A
70	67	Dispatch Printing Co.	Columbus, O.	152,000	140,000	8.6	152,000	140,000	8.6	100.0	N/A	N/A	N/A
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
76	73	Petersen Publishing Co.	Los Angeles	142,300	131,000	8.6	150,300	140,500	7.0	94.7	N/A	N/A	N/A
77	65	National Enquirer	Lantana, Fla.	142,000	142,000	0.0	142,000	142,000	0.0	100.0	N/A	N/A	N/A
78	79	United Cable Television Corp.	Denver	140,700	115,300	22.0	140,700	115,300	22.0	100.0	N/A	N/A	N/A
79	N/A	SFN Cos.	Glenview, Ill.	140,200	21.100	564.5	320,600	275,600	16.3	43.7	N/A	N/A	N/A
80	97	International Data Group	Framingham, Mass.	138,000	85,000	62.4	160,000	110,000	45.5	86.3	28,800	26,500	8.7
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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86	61	Penthouse International	New York	115,000	109,500	5.0	115,000	N/A	N/A	100.0	N/A	N/A	N/A
87	88	Pittway Corp.	Northbrook, Ill.	115,000	98,000	17.3	496,000	432,000	14.8	23.2	31,683	26,276	20.6
88	91	Sammons Communications	Dallas	113,000	94,000	20.2	113,000	94,000	20.2	100.0	N/A	N/A	N/A
89	75	Allbritton Communications Corp.	Washington	112,000	102,400	9.4	112,000	102,400	9.4	100.0	N/A	N/A	N/A
90	N/A	MTV Networks Inc.	New York	109,500	49,800	119.9	109,500	49,800	119.9	100.0	25,433	(5,967)	526.2
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
96	96	Park Communications	Ithaca, N.Y.	98,000	86,300	13.6	98,000	86,300	13.6	100.0	14,053	11,180	25.7
97	95	Knapp Commmunications	Los Angeles	97,600	88,500	10.3	111,200	99,300	12.0	87.8	N/A	N/A	N/A
98	98	Times Journal Co.	Springfield, Va.	95,800	84,000	14.0	132,500	119,000	11.3	72.3	N/A	N/A	N/A
99	N/A	13-30/Esquire	New York	95,000	66,900	42.0	95,000	66,900	42.0	100.0	N/A	N/A	N/A
100	N/A	Ackerley Communications	Seattle	90,100	79,500	13.3	97,900	79,500	23.1	92.0	(7,300)	(769)	(849.3)
		Total		50,020,356	42,028,200	19.1	87,352,194	77,468,334	12.8	57.3	3,970,686	2,999,541	32.4

Sources: Media revenues are Advertising Age estimates. Total revenues and net income were obtained through company sources and annual reports where possible.

companies by revenue ($000)

Newspaper			Magazine			Broadcast			Cable		
1984	1983	% chng	1984	1983	% chng	1984	1983	% chng	1984	1983	% chng
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
0	0	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0	0	0
0	27,300	[illegible]	[illegible]	[illegible]	[illegible]	0	0	0	1,255,000	1,090,000	15.1
0	0	0	0	0	0	[illegible]	[illegible]	[illegible]	0	0	0
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1,529,700	1,327,000	15.3	0	0	0	232,800	192,900	20.7	0	0	0
1,250,000	1,194,200	4.7	490,000	406,000	20.7	0	0	0	160,000	140,000	14.3
1,488,800	1,317,300	13.0	0	0	0	62,700	46,100	36.0	N/A	N/A	N/A
1,274,600	1,137,400	12.1	0	0	0	282,200	228,700	23.4	39,900	31,300	27.5
0	0	0	380,000	332,500	14.3	0	107,300	N/A	0	0	0
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	15.0	211,000	186,400	13.2	38,000	35,100	8.3	22,100	18,300	20.8
[illegible]	[illegible]	17.3	332,000	[illegible]	8.9	[illegible]	[illegible]	[illegible]	0	0	0
0	0	0	671,700	629,700	6.7	81,900	71,600	14.4	0	0	0
[illegible]	[illegible]	[illegible]	0	0	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
328,700	289,600	13.5	262,900	156,000	68.5	271,800	235,800	15.3	76,300	67,000	13.9
886,000	738,100	20.0	30,000	27,600	8.7	0	0	0	0	0	0
700,000	650,000	7.7	0	0	0	118,000	94,402	25.0	11,000	6,229	76.6
0	0	0	0	0	0	279,100	200,200	39.4	404,900	337,400	20.0
66,000	62,000	9.7	589,000	517,300	13.9	0	0	0	0	0	0
[illegible]	[illegible]	[illegible]	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	89,000	39,900	123.1	0	0	0
0	0	0	[illegible]	[illegible]	22.2	0	0	0	0	0	0
0	0	0	0	0	0	195,000	167,800	16.2	341,800	291,100	17.4
[illegible]	[illegible]	[illegible]	0	0	0	[illegible]	[illegible]	[illegible]	20,000	8,900	124.7
0	0	0	0	0	0	0	0	0	449,400	347,300	29.4
406,600	287,000	41.7	33,300	31,700	5.0	0	0	0	0	0	0
0	0	0	0	0	0	417,000	371,600	12.2	0	0	0
228,500	207,800	10.0	1,900	1,700	11.8	140,800	125,700	12.0	18,000	0	N/A
379,000	345,100	9.8	0	0	0	0	0	0	1,000	900	11.1
[illegible]	[illegible]	19.5	0	0	0	[illegible]	[illegible]	[illegible]	0	0	0
327,500	278,500	17.6	0	0	0	16,300	14,500	12.4	0	0	0
9,000	9,000	0.0	210,100	188,800	11.3	103,800	88,500	17.3	4,300	2,700	59.3
320,600	281,600	13.8	0	0	0	0	0	0	0	0	0
[illegible]	[illegible]	15.6	[illegible]	[illegible]	[illegible]	35,000	51,200	(31.6)	7,000	5,000	40.0
103,000	90,700	13.6	0	0	0	135,300	125,800	7.6	66,100	53,200	24.2
303,900	236,700	28.4	0	0	0	0	0	0	N/A	N/A	N/A
0	0	0	0	0	0	200,000	209,000	(4.3)	102,000	90,300	13.0
0	0	0	42,800	33,700	27.0	0	0	0	236,500	219,000	8.0
197,700	187,500	5.4	0	0	0	81,400	72,700	12.0	0	0	0
342,100	310,500	[illegible]	0	0	0	30,000	14,300	109.8	[illegible]	0	0
0	0	0	34,500	32,000	7.8	0	0	0	236,5[illegible]0	219,000	8.0
150,500	15,000	903.3	50,200	40,000	25.5	0	0	0	69,5[illegible]0	60,000	15.8
0	0	0	0	0	0	83,600	119,800	(30.2)	183,70[illegible]	151,500	21.3
0	0	0	0	0	0	177,400	136,200	30.2	88,30[illegible]	65,100	35.6
170,000	145,200	17.1	0	0	0	86,000	96,800	(11.2)	0	0	0
217,000	183,000	18.6	0	0	0	12,000	10,000	20.0	13,000	11,000	18.2
246,000	182,200	35.0	0	0	0	0	0	0	0	0	0
232,000	209,500	10.7	0	0	0	0	0	0	0	0	0
171,000	N/A	N/A	0	0	0	30,000	N/A	N/A	31,000	N/A	N/A
0	0	0	0	0	0	0	0	0	226,000	156,000	44.9
191,600	162,600	17.8	0	0	0	33,400	21,700	53.9	N/A	79,500	N/A
218,000	196,400	11.0	0	0	0	0	0	0	0	0	0
217,000	186,200	16.5	0	0	0	0	0	0	0	0	0
0	0	0	213,400	202,000	5.6	0	0	0	0	0	0
207,000	129,000	60.5	0	0	0	0	0	0	0	0	0
0	0	0	194,300	190,500	2.0	0	0	0	0	0	0
0	0	0	200,000	160,000	25.0	0	0	0	0	0	0
0	0	0	0	0	0	200,000	175,700	13.8	0	0	0
164,000	133,500	22.8	0	0	0	28,000	25,400	10.2	6,000	4,000	50.0
165,300	149,000	10.9	0	0	0	26,000	23,300	11.6	6,000	5,000	20.0
139,000	120,000	15.8	0	0	0	56,000	50,000	12.0	N/A	N/A	N/A
0	0	0	185,300	162,200	14.2	0	0	0	0	0	0
134,200	120,600	11.3	0	0	0	48,500	45,500	6.6	0	0	0
[illegible]	102,000	6.9	0	0	0	28,000	13,200	112.1	35,000	30,000	16.7
0	0	0	0	0	0	171,500	140,800	21.8	0	0	0
0	0	0	147,000	150,200	(2.1)	0	0	0	15,600	8,300	88.0
139,000	129,000	7.8	0	0	0	16,000	14,000	14.3	11,000	7,000	57.1
124,600	114,800	8.5	0	0	0	10,000	9,000	11.1	23,000	19,500	17.9
117,000	109,000	7.3	2,000	N/A	N/A	33,000	31,000	6.5	0	0	0
133,700	124,000	7.8	10,300	10,000	3.0	0	0	0	0	0	0
150,000	135,000	11.1	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	146,700	122,000	20.2	0	0	0
0	0	0	143,800	130,000	10.6	0	3,000	N/A	0	0	0
0	0	0	14,000	11,000	27.3	128,800	91,800	41.5	0	0	0
0	0	0	142,300	131,000	8.6	0	0	0	0	0	0
142,000	142,000	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	140,700	115,300	22.0
0	0	0	65,200	21,100	209.0	75,000	0	0	0	0	0
0	0	0	138,000	85,000	62.4	0	0	0	0	0	0
0	0	0	0	0	0	0	0	[illegible]	134,900	139,500	(3.3)
0	0	0	0	0	0	131,600	90,000	46.2	0	0	0
0	0	0	103,100	85,300	20.9	16,300	15,900	2.5	0	0	0
0	0	0	0	0	0	119,100	107,000	11.3	0	0	0
[illegible]	[illegible]	6.5	0	0	0	[illegible]	[illegible]	[illegible]	0	0	0
0	0	0	115,000	109,500	5.0	0	0	0	0	0	0
0	0	0	115,000	98,000	17.3	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	113,000	94,000	20.2
41,000	39,000	5.1	0	0	0	71,000	63,400	12.0	0	0	0
0	0	0	0	0	0	0	0	0	109,500	49,800	119.9
[illegible]	[illegible]	13.9	0	0	0	22,300	[illegible]	7.2	0	0	0
0	0	0	108,300	89,700	20.7	0	0	0	0	0	0
0	0	0	106,000	90,000	17.8	0	0	0	0	0	0
0	0	0	0	0	0	104,500	95,000	10.0	0	0	0
0	0	0	0	0	0	0	0	0	[illegible]	[illegible]	[illegible]
51,000	44,000	15.9	0	0	0	47,000	42,300	11.1	0	0	0
0	0	0	97,600	88,500	10.3	0	0	0	0	0	0
95,800	84,000	14.0	0	0	0	0	0	0	0	0	0
0	0	0	95,000	66,900	42.0	0	0	0	0	0	0
0	0	0	0	0	0	13,400	19,800	(32.3)	0	0	0
18,877,873	16,199,400	16.6	8,626,300	7,379,700	16.9	14,305,200	11,922,602	20.7	5,844,200	4,800,629	21.8

five newspapers and five vhf tv stations, and it saw revenues increase an estimated 9.4% in 1984 over 1983 estimates.

The *Times*, Trenton, N.J., Allbritton's largest newspaper with a morning circulation of 62,098 in March, 1985, is making a major thrust into Princeton, N.J., and in February, 1985, dropped "Trenton" from its name in hopes of appealing to a wider New Jersey audience.

On March 15, 1985, the *Times* opened a full-service business and editorial office in Princeton. It also rented a trailer that travels to local shopping malls to encourage retailers to buy ads. The *Times* ad staff creates ads on the spot for small retailers.

The effort "has been unbelievably successful," says Michael Moore, president of Allbritton's newspaper division. "We're seeing some very encouraging numbers to match the less encouraging numbers on the cost side."

The *Times'* daily circulation was down about 600 subscribers from the similar prior-year period, while the Sunday circulation was 78,797, up 1.3%. Mr. Moore says daily circulation was flat in the first quarter of 1985, while Sunday was up about 2,000.

The *Trentonian*, owned by Ingersoll Publications, and the *Times* continually battle for the market, with the *Trentonian* still ahead during the week with ABC audited circulation of 67,092, up 1% from March, 1984, while the *Times* is winning the Sunday race. The Sunday *Trentonian* had circulation of 63,246, down 2.4% during the same period.

Thomas Cookerly, broadcast division president and general manager of WJLA-TV, Washington, says Allbritton's tv stations performed well in the past year, but made no significant ratings gains. WCIV, Charleston, S.C., will expand its reach later this year, along with other tv stations in the market, when they move to a newly erected 2,000-ft. tower.

"We, like everybody else, are watching the market with great interest," Mr. Cookerly says of the divestitures resulting from recent media company mergers. Allbritton may bid for some stations, Mr. Cookerly says, although the company will consider "at what price do these things stop making sense for us."

The company's most recent purchases—KATV, Little Rock, Ark., and KTUL, Tulsa, Okla.—were in 1983.

Ad revenues for the newspaper division in 1984 were up 5% over-all, with classifieds showing the greatest increases, often as much as 20%, Mr. Moore says. Retail advertising has been soft, while national "is a disaster area," except in Trenton, he says.

Circulation has dropped slightly at the *News*, Paterson, N.J., and the *Dispatch*, Union City, N.J., because of aggressive marketing by the *Record* of Bergen County, N.J.

The *News* dropped 8% from March, 1984, to a daily circulation of 45,392 in March, 1985, while the *Dispatch* dropped 8.3% to 32,805 during the same period.

Both newspapers named new publishers this year: Jim Scoggins, former owner and publisher of the *York Daily Record*, York, Pa., heads the *News*, and Richard Vezza, formerly publisher of the *Elizabeth Daily Journal*, Elizabeth, N.J., now publishes the *Dispatch*.

The *Standard Observer*, Irwin, Pa., is up slightly with a 15,000 daily circulation. The *Westfield Evening News*, Westfield, Mass., showed a 15% increase, to 6,000 daily.

Allbritton Communications is part of the Joe Allbritton-owned holding company, Perpetual Corp., which has interests in insurance and mortuaries.

MEDIA PROPERTIES

Broadcasting

TV: KATV, Little Rock, Ark.; KTUL, Tulsa, Okla.; WCIV, Charleston, S.C.; WJLA, Washington; WSET, Lynchburg, Va.

Newspapers (dailies)

MASSACHUSETTS: *Westfield News*. NEW JERSEY: *Dispatch* (Union City), *News* (Paterson), *Times* (Trenton). PENNSYLVANIA: *Irwin Standard Observer*.

American Broadcasting Cos.

New York

RANK 1

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	3,650	2,815	29.7
Total sales	3,708	2,949	25.7
Net income	195	160	22.2
Sales per medium			
Newspaper	0	0	0
Magazine	316	188	68.7
Broadcast	3,300	2,614	26.2
Cable	34	13	151.5

American Broadcasting Cos., New York, surfaced from a record year in 1984 to find itself a hotly pursued takeover target in 1985, and it ultimately accepted a $3.5 billion bid from Capital Cities Communications in a friendly buyout.

The purchase, the largest in media history, seemed to bear the message that any media company was vulnerable if a major network such as ABC could be cracked. It touched off a frenzy of media transactions, hostile takeover attempts and leveraged buyouts that revolutionized the media industry.

ABC is treated as a separate entity in this profile issue, although its shareholders were to approve in late June the buyout and name change to Capital Cities/ABC Inc.

In 1984, ABC was the nation's largest media company with media revenues of $3.65 billion, a 29% increase over 1983. Media revenue accounted for virtually all of ABC's 1984 record revenue of $3.7 billion.

But while 1984 was an outstanding year for ABC, 1985, at least so far, is not. Earnings declined nearly 19% for the first quarter, compared with the first quarter of 1984, to $19.4 million. ABC Broadcast Group profits fell 8%. Company revenues for the quarter were $797.8 million, a 5% decline. The broadcast activity continues the downward trend that came after the euphoria of a successful Olympic Games coverage in Los Angeles last summer.

ABC's broadcast segment in 1984 still finished the year with an extraordinary increase of 26.4% in revenues to $3.3 billion with earnings before taxes of $427.8 million, up 17.1% from the prior year.

Publishing, the second largest segment, had revenues of $316.3 million, up 13%, and pretax earnings of $34.2 million, up 17.2%. The remaining two segments struggled during the year: Video Enterprises recording $54.4 million in revenues, up 306%, but a pretax loss of $44.6 million, compared with a loss of $47.3 million the prior year, and the motion pictures, scenic attractions and "other" segment had revenues of $27.9 million, off 14.4%, and a pretax loss of $271,000, down from a loss of $1.4 million the prior year.

The ABC Video Enterprises (ABCVE) segment, however, began paving the way for greater returns in 1984 with the acquisition in April, 1984, of Entertainment & Sports Programming Network, which makes it the largest supplier of basic cable programing in the country. ABC paid Texaco Inc. $227 million for the 85% stake Texaco had in ESPN. In October, ABC sold 20% of the company to Nabisco Brands Inc., East Hanover, N.J., for $60 million.

ESPN made the deal look good when it reached a three-year, $70 million agreement last summer with the United States Football League to broadcast its games. The ESPN acquisition and poor results from the Satellite News Channels and RSVP, the pay-per-view network, were the reasons for negative earnings in the ABCVE segment.

The most notable development in the motion pictures and scenic attractions category was the sale of the scenic attractions segment (Florida theme parks) in May, 1984, to officers of the division for $6.6 million.

Both the winter and summer Olympics greatly contributed to the strong earnings turned in by ABC's commercial broadcasting division. (ABC accounted for 40% of the aggregate ad revenues of $8.3 billion generated in 1984 by the nation's three major networks.) Within the segment, ABC Radio increased revenues for the second year in a row after a slight loss in 1982. The division also purchased KTKS (fm), Dallas-Fort Worth, for $9 million and sold KGO-FM in San Francisco and WXYZ-AM in Detroit.

But as the poor fall showings dulled the summer performance, it became apparent someone was attempting to make ABC a bride. Its stock dropped and large blocks were being bought by unknown suitors, from whom Cap Cities surfaced. On March 18, 1985, ABC unveiled the historic agreement: Cap Cities would purchase ABC's 29.1 million outstanding shares for $118 a share in cash plus 1/10th of a warrant to purchase Cap Cities stock at $250 a share. The transaction had a total value of $121 a share. ABC had just been sold for $3.5 billion.

Most of the money will come from banks, a dispersal of assets and other sources, including one of ABC's new owners, Warren E. Buffett. Mr. Buffett, chairman of Nebraska-based Berkshire Hathaway, a holding company with interests in several major ad agencies, contributed $517 million to the buyout.

At first, analysts were hesitant about the union. ABC, a vast sprawling empire that likes to consider itself a big happy family, did not appear the most suitable partner for small, tightly run Cap Cities. Later, opinions changed: ABC could benefit from the lean management style of a Thomas Murphy, Cap Cities' 59-year-old chairman, and Dan Burke, Cap Cities president. Both companies said the merger would provide a more stable revenue base.

Under the merger, the new management stucture will include Thomas Murphy, chairman-ceo; Daniel Burke, 56, president-chief operating officer of the broadcast division, and Fred Pierce, 52, will become chairman-ceo of ABC. (He headed the broadcast division at ABC at the time of the buyout.) Leonard Goldenson, former ABC chairman, becomes chairman of ABC Inc.'s executive committee.

The merger also will force a sale of broadcast stations. Stations must be sold that violate media crossownership restrictions (no tv, radio or newspaper combinations in a market not already grandfathered in), when the number of tv, fm or am stations exceeds 12 each or when penetration is greater than 25% of total U.S. households. Broadcast overlaps exist in five areas—New York, Los Angeles, Detroit, Houston and Dallas-Fort Worth.

Almost all of the properties to be divested will be radio stations. Three tv stations will be sold, with many of the tv and radio properties being let go because they are less profitable than those being kept. The following scenario is likely:

- Cap Cities already has put its Buffalo radio and tv stations, WKBW-TV, WKBW-AM, on the block.
- The divestiture problem is most complex in New York. Cap Cities owns stations in adjoining markets—WTNH-TV in Hartford, Conn., and WPVI-TV in Philadelphia—which conflict with overlapping signals in their markets from WABC-TV in New York. In May, Cap Cities said it would seek a waiver from the FCC to keep WPVI. If WPVI stays, then the company will sell WXYZ-TV, Detroit. WTNH definitely will be sold, the company says.
- ABC's New York radio properties, WABC-AM and WPLJ-FM, also conflict with WPAT (am, fm), Cap Cities' combo in Paterson, N.J. All of the stations will be sold, Cap Cities says.
- In Los Angeles, Cap Cities' radio stations KLAC-AM and KZLA-FM conflict with ABC outlets KABC-AM and KLOS-FM, as well as KABC-TV. All four radio stations will be sold.
- In Detroit, ABC's WRIF-FM conflicts with Cap Cities' WJR-AM. If the previously mentioned WPVI waiver is denied by the FCC, then Cap Cities will keep WXYZ-TV, Detroit, and sell the radio stations and the *Oakland Press*, Pontiac, Mich.
- In Tampa, Cap Cities' WFTS-TV will be sold.
- In Houston, ABC's newly acquired KSRR-FM will be sold, because Cap Cities owns KTRK-TV.
- In San Francisco, ABC will sell KGO (am). Because of the merger ABC lost its protection from the grandfather clause that allowed it to own both its KGO (am) radio station and KGO-TV.
- In Dallas, ABC's KTKS-FM will be sold to allow the *Fort Worth Star-Telegram*, Cap Cities' newspaper, to remain.
- Cap Cities' cable tv division, made up of 55 cable systems, also will be spun off. Broadcast networks currently are forbidden from holding major cable properties.
- The newspaper to be sold will be in the New York area—*Daily Register*, Red Bank, N.J.

Broadcast broker Gammon & Nimoski Media Investments, Washington, believes the radio stations, in total, are worth at least $440 million. The total value of all spunoff properties could approach $1 billion. Station swaps also may be considered, and radio stations are more likely to be involved than tv stations.

The publishing operations of both companies combine into a clean fit. Both companies have leading business and consumer publications. Cap Cities owns, among other publishing properties, the Fairchild Publications, which publishes *Women's Wear Daily* and *Institutional Investor*.

The merger is only one part of the drama that has engulfed ABC's broadcast operations during the past year. A triumphant Summer Olympics broadcast gave way to the most disastrous fall tv season for the company since 1972.

The 1984 Olympics turned out to be a bittersweet pill for the network. The winter games in January averaged only an 18.2 rating and 28 share, the blame of which generally is placed on taped delays and the poor showing of the U.S. hockey team. For the first time in Olympics history, advertisers, who had spent $187 million on the games, were compensated for the shortfall.

ABC achieved a slim $15 million profit on the games. The following month, however, the network paid a record $309 million for rights to broadcast the Winter Olympics in Calgary in 1988.

The Los Angeles summer games were a resounding victory for the network. At $200,000 a 30-second spot, the network sold $435 million in ad time, by far the single most lucrative event in the history of tv.

But controversy dogged the games.

Advertising Age

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Advertising Age, with which is incorporated Advertising Agency Magazine, formerly Advertising & Selling, is published twice weekly by Crain Communications Inc. at 740 Rush St., Chicago 60611 (312-649-5200). Offices at 220 E. 42nd St., New York 10017 (212-210-0100); National Press Bldg., Washington, D.C. 20045 (202-662-7200); 1400 Woodbridge Ave., Detroit 48202 (313-446-0321); 6404 Wilshire Blvd., Los Angeles 90048 (213-651-3710); 8950 N. Central Expwy., Dallas 75231 (214-692-9744). Chicago Telex number: 687 1241 CRAIN UW. New York cable address: CRAINCOM NYK: Telex 64-0297

Vol. 56, No. 50—ADVERTISING AGE (ISSN 0001-8899) is published twice weekly except once a week the first week in January, the fourth week in November and the fourth week in December at 740 Rush Street, Chicago, IL 60611. Second-class postage paid at Chicago and additional mailing offices. Send address changes to ADVERTISING AGE, Circulation Department, 740 Rush Street, Chicago, IL 60611. Microfilm copies are available from University Microfilms, 300 N. Zeeb Rd., Ann Arbor, Mich. 48103. Microfiche copies are available from Bell & Howell, Micro Photo Division, Old Mansfield Rd., Wooster, O. 44691. $1.25 a copy on Monday, 75¢ a copy on Thursday, $55 a year, $100 two years. Add $143 per year for air delivery to Europe & Middle East. Add $49 for surface mail to all other foreign countries. WILLIAM STRONG, vp-circulation; ROGER DIGREGORIO, fulfillment director; HEIDI SCHULTZ, senior circulation manager. Four weeks' notice required for change of address. Address all subscription correspondence to circulation department, Advertising Age, 740 Rush St., Chicago, Ill. 60611 (312) 649-5200.

ABP MPA ABC

Russian and Eastern Bloc athletes pulled out, and ABC feared the summer event would suffer the fate of the winter games. The network pressured the Olympics tv committee to return some of the broadcast rights fees.

After opening day in July, the fears were allayed. The opening ceremonies got a 23.9 rating and 48 share, and the games went on to deliver an average 24.8 ratings and 44 share. An estimated 180 million Americans watched all or part of the games, making the Summer Olympics the most viewed event ever presented by a single network.

ABC used its own fillers during the Olympics to promote its fall lineup of programs. The promos proved meaningless, however, as heavily promoted "Glitter" and "The Call to Glory"—and virtually every other new show to bow in the fall—were removed after poor ratings. ABC, for the first time in more than 12 years, ended last in prime-time ratings for the season. CBS finished first with a 16.9 rating, NBC, second with 16.2, and ABC, 15.4.

The difficulties led to a major corporate shakeup in March, when John Severino, president of ABC Television, was demoted. The two top programing executives, however, solidified their power base in the shakeup. They are Anthony Thomopoulos, Broadcast Group president, and Lew Erlicht, head of Entertainment.

For the 1985-86 fall season, the network has added 10 new series to the schedule, representing a huge eight-hour block. The four new comedies, three action-adventure shows and three dramas represent a major swing back to the young urban viewer ABC lost to NBC last year.

ABC will try to capitalize on "Dynasty," anchor of the entire ABC schedule for the past two years. "Dynasty" finished the 1984 season as the top-rated show on network tv with a 25 rating and 37 share. A spinoff produced by Aaron Spelling, "Dynasty II: The Colbys," has been added to the Thursday evening schedule. In an unusual twist, ABC added "Diff'rent Strokes," the canceled NBC series. Two years ago NBC picked up "Taxi," a canceled ABC series.

Only Monday night remains intact on the schedule. "Monday Night Football" will return for its 12th season, although this show also has suffered a drop in ratings. Some major advertisers managed to lower their unit costs on the show as a result.

The problems on "Monday Night Football" highlighted a major transition period for the network last year. Because of an overabundance of advertiser inventory in the sports market, all three networks have experienced sales difficulties. ABC has restructured its sports sales department, partly in preparation for the huge sales effort it plans for the '88 Winter Olympics. The network cut back slightly last year on its sports programing—including the cancelation of its long-running "American Sportsman" anthology. "Wide World of Sports" continued its reign as top-rated sports anthology on network tv.

ABC also has put the United States Football League on notice that it will not broadcast its games if it moves ahead, as planned, to a fall schedule in 1985.

ABC achieved a major sales victory with its first-ever broadcast of the Super Bowl. The game brought less than expected ratings, but advertisers spent a record $1 million a minute to get a berth on it.

In daytime, CBS notched a slight ratings victory over ABC, although ABC continues to dominate ratings among women 18 to 49 and women 18 to 34. "Good Morning America," the top-rated morning news/entertainment show, continued its dominance, although NBC's "Today" made some inroads.

MEDIA PROPERTIES

Broadcasting

TV: ABC-TV Network (211 affiliates). ABC-owned stations: KABC, Los Angeles; KGO, San Francisco; WABC, New York; WLS, Chicago; WXYZ, Detroit.

RADIO: ABC Radio Networks (plus 1,860 affiliates). ABC-owned stations: KABC (am) and KLOS (fm), Los Angeles; KSRR (fm), Houston; WABC (am), New York; WLS (am, fm), Chicago; KTKS (fm), Dallas/ Fort Worth; WMAL (am) and WRQX (fm), Washington, D.C.; WPLJ (fm) and WRIF (fm), Detroit.

Cable/video

ABC Video Enterprises; Lifetime and ARTS & Entertainment Network, co-ventures with Hearst/Viacom Entertainment Services and Hearst/RCTV Inc., respectively; ESPN Network.

Magazines

ABC Leisure Magazines—*High Fidelity, High Fidelity Musical America, Video & Sound, High Fi Test Reports, Los Angeles, Musical America International Directory, McCall's Needlework & Crafts: Stitchery Bazaar, McCall's Needlework & Crafts, Modern Photography, Modern Photography: Rock Photo, Modern Photography: The Wofman Report, Schwann's Record and Tape Guides, Creative Craft Series, Design Idea Series.* Chilton Company: *Automotive Industries, Automotive Marketing, Commercial Carrier Journal, Distribution, Electronic Component News, Food Engineering, Food Engineering International, Food Engineering Master* (annual catalog), *Hardware Age, IAN, I&CS, IMPO Distributor News, Industrial Maintenance & Plant Operations, Industrial Safety & Hygiene News, Iron Age, IAMI (Iron Age Metalworking International), Jewelers' Circular-Keystone, Motor/Age, Owner Operator, Product Design & Development, Review of Optometry.* COMPUTE! Publications: *COMPUTE!, COMPUTE!'s Gazette, COMPUTE! Gazette disk.* Farm Progress Cos.: *Prairie Farmer, Indiana Prairie Farmer, Farm Tax Saver, Wallaces Farmer, Wisconsin Agriculturist.* Miller Publishing: *Dairy Herd Management, Farm Store Merchandising, Feedlot Management, Feedstuffs, Feed Additive Compendium, Hog Farm Management, Garden Supply Retailer, Tack 'n Togs.* Hitchcock Publishing: *Assembly Engineering, Industrial Finishing, Infosystems, Machine and Tool Blue Book, Office Products Dealer, Quality, Manufacturing System.*

OTHER OPERATIONS

ABC Motion Pictures, Chilton Research Services, Chilton auto repair manuals, Word Inc. (religious books, records, videocassettes), Farm Progress Insurance, Wallace-Homestead Book Co., NILS Publishing and National Price Service Database services.

American Express Corp.

New York

RANK 39

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	279	252	10.5
Total sales	12,895	9,770	32.0
Net income	610	515	18.4
Sales per medium			
Newspaper	0	0	0
Magazine	43	34	27.0
Broadcast	0	0	0
Cable	237	219	8.0

American Express Co., New York, which has proposed the sale of its 50% share of Warner Amex Cable Communications, is the 39th largest media company, with 1984 media revenues estimated by ADVERTISING AGE at $279.3 million, up 10.5% from 1983's estimate.

Media contributions at American Express, equal to 2.2% of total revenues of $12.90 billion, are derived from its 50% ownership in Warner Amex and from three magazines, *Travel & Leisure, Food & Wine*, and newly launched *Departures* magazine.

Warner Amex had total revenues of $472.9 million in 1984, up 8% from 1983, and a net loss of $25 million, compared with a net loss of $98.6 million the previous year.

Warner Communications, which owns the other 50% of Warner Amex, shares half the losses and gains of Warner Amex.

American Express is seeking to exit the unprofitable cable venture to concentrate more fully on financial services. It has signed an agreement with two Denver-based cable operators, Time Inc.'s American Television & Communications subsidiary and Tele-Communications.

The potential buyers are offering to pay $850 million in cash, and assume $500 million in debt. The other partner, Warner Communications, must approve the deal, however. Under the joint venture agreement, each has the right to buy out the other if one agrees to sell.

Drew Lewis, the former U.S. Secretary of Transportation under President Ronald Reagan who became chairman-ceo of Warner Amex in 1983, reduced losses during 1984 by, among other things, selling some of Warner Amex's cable franchises, renegotiating several other franchises and cutting overhead, mainly by reducing staff and consolidating offices.

Warner Amex is the sixth largest U.S. cable system, with a 1984 subscriber base of 1.2 million homes, of which 901,000 are also pay cable customers. This is down from 1983 when its subscriber base was 1.36 million households, of which 1.30 million were also pay cable customers. This decline is mainly because Warner Amex operated 104 cable systems in 24 states at the end of 1984—15 systems and one state less than at the end of 1983.

Warner Amex also owns 19% of Showtime/The Movie Channel, which provides 24-hour-a-day programing for pay cable tv. (For more details on Warner Amex, see the profile on Warner Communications.)

MTV: Music Television and Nickelodeon, two cable services of Warner Amex Satellite Entertainment Corp., a unit of Warner Amex, were sold in July, 1984, to MTV Networks for $67.7 million in cash and 66.1% of the capital stock of MTV Networks. The remaining capital stock was sold in a public offering in August, 1984. (For more details, see profile of MTV Networks.)

As for its magazines, in July the company appointed Thomas Ryder to head American Express Publishing Corp., ending speculation that American Express was considering unloading its publishing division after the April 4 death of John Connors, who had headed the division for 10 years.

The publishing division is made up of *Travel & Leisure* and *Food & Wine*, both of which posted new highs in ad pages and revenues in 1984. Compared with the end of 1983, *Travel & Leisure's* paid subscriptions were up 5.4%, to [illegible]75,000 at the end of 1984, and *Food & Wine's* were up 14.2%, to 600,000.

During the same period, *Travel & Leisure* increased its ad pages 16.9% to 1,304, and *Food & Wine* increased its ad pages 21.2% to 505. ADVERTISING AGE estimates the two magazines together generated $24.9 million in ad revenues in 1984 and another $17.4 million from subscriptions.

AmEx has just started its *Departures* magazine, a travel publication being sent to the top 150,000 cardholders in Europe and the Middle East. *Departures* is being published six times a year.

Over-all, American Express had a good year, performing well in what was a generally difficult environment for the financial services industry.

Travel related services and international banking both turned in record performances. The acquisition of Lehman Brothers Kuhn Loeb Holding Co., effective in May, 1984, had a positive impact on investment service earnings. IDS Financial Services, acquired in a purchase effective Dec. 31, 1983, was included in the company's results for the first time in 1984; IDS earnings were up significantly from 1983.

The insurance service, of which Fireman's Fund is a division, had a net income of $43 million in 1984, up from $30 million in 1983, but still significantly below 1982's $244 million in net income.

MEDIA PROPERTIES

Cable tv/video

As part of 50-50 partnership in Warner Amex Cable Communications, American Express has interests in 104 cable systems in 24 states with about 1.2 million basic subscribers, of which 901,000 also subscribe to pay cable.

Magazines

Travel & Leisure, Food & Wine, Departures.

OTHER OPERATIONS

American Express Direct Response, American Express International Banking Corp., Fireman's Fund Insurance Cos., Investors Diversified Insurance, Merchandise Sales, Shearson/American Express Services, ATS Marketing of America (affiliate company).

A.H. Belo Corp.

Dallas

RANK 31

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	354	242	46.0
Total sales	354	242	46.0
Net income	91	53	72.0
Sales per medium			
Newspaper	195	163	19.5
Magazine	0	0	0
Broadcast	158	79	100.9
Cable	0	0	0

A.H. Belo Corp., Dallas, ranked 31st among the nation's media companies in 1984 with media revenues of $353.6 million, up 46% from 1983. Media revenues were 99.8% of the company's total revenues.

The company was thrust into the industry's higher rankings from its position in 1983 as the 41st largest media company by completing its acquisition of the Corinthian Broadcast Group from Dun & Bradstreet Corp. That acquisition accounted for major increases in revenues and earnings for Belo in 1984.

Of Belo's 1984 operating revenues, $195.2 million, or 55.1%, was derived from newspaper publishing, and $158.3 million, or 44.7%, was derived from tv and radio broadcasting. The "Texas Almanac" accounts for the remaining revenue.

Newspaper ad revenues at Belo's lead property, the *Dallas Morning News*, were $169 million, up 19.4% from 1983. The *News* increased its ad rates about 8% in January, 1984.

Earnings from operations rose 72.2% in 1984, to $91.1 million, of which $33.4 million was from newspaper publishing (up 14.8), and $62.7 million was from tv and radio broadcasting (up 102%).

Belo's primary mission in 1984 was to absorb its newly acquired broadcast properties and to widen the *News'* leadership position over the competing Times Mirror-owned *Dallas Times Herald*.

The effort coincided with a general softening of conditions in the broadcast business and with Belo's construction of a $57 million printing and distribution facility in suburban Plano. The new offset presses began to roll in January, 1985, improving color reproduction quality in the *News*.

Belo's new tv stations remained a strong second or third in their markets, except for KXTV-TV in Sacramento, which sometimes runs fourth. Houston's KHOU-TV experienced soft local spot advertising but edged past H&C Communication's KPRC into second place according to the Nielsen May, 1985, books that gave KHOU a 17 share vs. 16 for KPRC and 25 for leader, Cap Cities' KTRK.

Belo's WFAA-TV retained its leadership position in Dallas-Fort Worth throughout 1984 despite several major personnel changes. In early 1985, Iola Johnson, a popular co-anchor on WFAA's leading news broadcasts, left the station after 11 years in the position. Earlier, a popular consumer affairs reporter for the station died.

While Belo was establishing its management and policies in the new tv markets during 1984, the *News* was making strides in its effort to remain the dominant newspaper in the Dallas-Fort Worth market.

For the six months ended March 31, 1985, the *News* reported total average paid circulation of 368,683 weekdays (up 10.2% for the similar period a year earlier) and 476,004 Sundays (up 10.2%), according to the Audit Bureau of Circulations.

The release of circulation figures for the 12 months ended March 31, 1984, was delayed until November, 1984, because of an audit requested by the *News* to challenge *Times Herald* figures. That audit revealed the *Times Herald* had overstated its figures by more than 20,000 subscriptions that did not qualify to be included.

In the subsequent ABC report for the six months ended March 31, 1984, the *News* was reported to have extended its circulation lead over the *Times Herald* to more than 125,000 both daily and Sunday.

The *Dallas Morning News* gained in all geographic categories, while the *Times Herald* experienced losses in all categories. The *Times Herald* had circulation of 241,055 daily (down 6.2% from the year-earlier period) and 345,932 Sunday (down 1.1%), according to March 31, 1985 ABC audit statements.

The *News'* gains were not limited to circulation. In 1984, the *News* led the nation's newspapers in full-run advertising linage with 116.5 million lines, passing the *Houston Chronicle* and the *Los Angeles Times*, which led the nation as No. 1 and No. 2, respectively, in 1983.

Through the first quarter of 1985, the *News'* total advertising market share was 55.9%, up from 54.3% in the first quarter of 1984, and from its 54.7% share at the end of 1984, according to Media Records. The *News'* first-quarter market share of classified advertising rose to 60% from 57% the year earlier.

On Jan. 1, 1985, Robert W. Decherd was promoted to president of Belo from exec vp. He remained chief operating officer. James M. Moroney Jr., who relinquished the presidency, remains chairman-chief executive officer.

John A. Rector Jr. became publisher of the *News*, moving from president, where he was succeeded by Burl Osborne, formerly senior vp-editor. And Jeremy L. Halbreich was promoted from senior vp to exec vp of the *News*, in which position he is responsible for all of the newspaper's business operations.

While Texas is preparing to celebrate its 125th anniversary in 1986, the *News* will be celebrating its 100th anniversary in the fall of 1985. Leading up to that celebration, the paper acquired the exclusive first newspaper publication rights for the state of Texas to James A. Michener's historical novel "Texas."

In early 1985, Belo stockholders approved a rule that would require changes in bylaws to be approved by two-thirds of the stockholders, a move designed to fortify the company against any takeover attempts.

MEDIA PROPERTIES

Broadcasting

TV: KHOU, Houston; KOTV, Tulsa, Okla.; KXTV, Sacramento-Stockton, Cal.; WFAA, Dallas; WVEC, Hampton-Norfolk, Va.

RADIO: KRQX (am), and KZEW (fm), Dallas-Fort Worth; KOA (am) and KOAQ (fm), Denver.

Newspapers

Dallas Morning News and seven community dailies published by Belo's News-Texan: *Arlington Daily News, Garland Daily News, Grand Prairie Daily News, Irving Daily News, Mid-Cities Daily News, Richardson Daily News, Suburban News.*

OTHER OPERATIONS

Corinthian Broadcast Group, publishes the "Texas Almanac," operates Selective Media Services, a direct marketing and distribution company.

Blade Communications

Toledo, O.

RANK 69

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	158	143	10.0
Total sales	158	143	10.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	125	115	8.5
Magazine	0	0	0
Broadcast	10	9	11.1
Cable	23	20	17.9

Blade Communications Inc., Toledo, O., is the nation's 69th largest media company with 1984 revenues estimated by ADVERTISING AGE at $157.6 million, all from media operations, up 10% from 1983's estimate.

The privately owned company in mid-June, 1985, underwent corporate restructuring creating the new parent name, Blade Communications Inc., as a holding company responsible for managing nine businesses, including newspapers, cable tv systems and tv station properties in several states. In essence, the restructuring separates the functions of the newspaper division—the company's primary business—from other operations.

The company has been controlled by the Block family since Paul Block Sr. started it early in the 1920s. Today, his sons, Paul Block Jr. of Toledo and William Block of Pittsburgh, Pa., are co-owners.

Blade Communications is a "fairly conservative company" according to a Blade spokesperson. The source says the company experienced growth of between 10% and 15% in 1984 and expected to do about the same this year.

Part of that new growth will result from the purchase of KTRV-TV in Nampa/Boise, Idaho, from Payton Broadcasting Ltd. According to papers filed with the FCC, the purchase price is $4.9 million, but a source outside the company says the purchase also involved Blade's assumption of KTRV's debts, bringing the price to about $6.6 million. Blade is buying the station under the name Idaho Independent Television. KTRV should generate revenues annually of between $3 million and $4 million.

The purchase, already approved by the FCC, was expected to be completed this June, bringing Blade's tv holdings to four stations. Its other stations are WLFI in Lafayette, Ind.; WLIO in Lima, O., and WDRB in Louisville, Ky.

Although the company is continually looking for additional properties, Blade is not likely to make another deal before yearend, says the source, who notes that although the company would consider a good offer involving a newspaper, Blade will look hardest for tv and cable outlets.

"There still are some bargains out there," he says. "It depends on how well you shop."

In its other media dealings, the company experienced moderate growth during 1984. Buckeye Cablevision, which serves the Greater Toledo area, added about 5,000 subscribers, climbing to about 100,000; Erie County Cablevision, which serves the Sandusky, O., vicinity, added fewer than 800 subscribers, climbing to about 15,000, and Monroe Cablevision, Monroe, Mich., added just 500 new subscribers, reaching about 6,000.

The company source says that both the Erie County and Monroe systems are state-of-the-art operations that have been completely rebuilt. Buckeye, which is using all 24 of its available channels, is ready to expand the number of channels it offers as soon as the company sees a need for it, he says.

Financially, the cable operations have been performing about as expected. Part of that performance is a sizable amount of local advertising.

Paul Kagan & Associates, a cable industry analyst, estimates 1984 local ad revenues were about $700,000 for Buckeye. Kagan lists Blade as the nation's 47th largest multiple system operator.

As for pay cable subscribers, the company source says Blade is having good success in that area. Kagan, however, in a January, 1984, case study, says, "The system has achieved only marginal pay penetration," 40.1% of basic.

That figure since has improved to slightly more than 45%.

In the newspaper arena, the *Toledo Blade*, the company's flagship, continued to build circulation. Daily circulation rose 0.3% to 163,194 as of March 31, 1985, compared to the same year-earlier period, and 1.6% to 219,072 on Sunday, according to ABC audit reports.

At the *Pittsburgh Post-Gazette*, circulation fell. The *Post-Gazette's* Monday through Friday circulation was 174,982 at March 31, 1985, down 1.9% from a year earlier, and the Saturday paper averaged 161,860, down 2.2%. The dip in circulation at the *Post-Gazette*, however, were not as great as that at the leading *Press*, which had evening circulation of 247,784, down 3%, and Sunday circulation of 594,025, down 3.2%, during the same ABC reporting period.

The *Post-Gazette*, which does not publish Sundays, has a joint operating agreement with the Scripps-Howard-owned *Press*.

The *Monterey Peninsula* (Cal.) *Herald* circulation rose slightly to 32,794 daily and 34,529 Sunday for the March reporting period.

MEDIA PROPERTIES

Broadcast

TV: KTRV, Nampa/Boise, Idaho; WLFI, Lafayette, Ind.; WLIO, Lima, O.; WDRB, Louisville, Ky.

Cable/video

OHIO: Buckeye Cablevision, serving Harbor View, Holland, Lucas County, Maumee, Montdera, Ottawa Hills, Oregon, Perrysburg, Perrysburg Township, Rossford, Springfield Township, Sylvania, Sylvania Township, Toledo, Washington Township, Wood County. Erie County Cablevision, serving Bay View, Castalia, Erie County, Huron, Huron Township, Margaretta Township, Oxford Township, Perkins Township, Sandusky. MICHIGAN: Monroe Cablevision, serving Monroe.

Newspapers (dailies)

CALIFORNIA: *Monterey Peninsula Herald.* OHIO: *Toledo Blade.* PENNSYLVANIA: *Pittsburgh Post-Gazette.*

John Blair & Co.

RANK 22

New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	585	217	170.0
Total sales	842	414	103.3
Net income	10	18	-42.9
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	89	40	123.1
Cable	0	0	0

John Blair & Co., New York, the nation's 22nd largest media company, in 1984 became the largest processor of carrier-route-sorted, third-class mail through its acquisition of ADVO-System, Hartford, Conn.

But Blair's acquisition for $37 million of the direct mail company in March and subsequent attempt to marry its services with those of John Blair Marketing proved to be a heavy burden on the company, outstripping the positive performance of its broadcasting properties.

Over-all, media revenues in 1984 were up a whopping 170% from 1983, to $585.1 million, while media operating profit increased a negligible 1.9% to $21.8 million. Media at the diversified marketing and communications company represented 69.4% of total revenues of $842.4 million, and media operating profit represented 44.3% of total operating profit of $49.2 million.

Over-all net earnings for the year were down 43% to $10.5 million for the year. Printing activities and broadcast repping were not included in media totals for this report.

The 1.9% increase in media operating profit hid both the strength of the broadcasting group and the weakness in marketing. Broadcasting revenues were up 123% to $89 million, while broadcast operating profit increased 185% to $15.7 million. The increases reflected the first full year of operations of one tv and four radio stations acquired in late 1983.

Blair attributed much of that growth to a first-year performance from WKAQ-TV, Puerto Rico, and strong results from first-year operations at radio stations KVIL (am, fm) in Dallas and WIBC (am) and WNAP (fm) in Indianapolis.

At the end of last year, Blair purchased Oak Industries' subscription tv station, WSCV-TV, Fort Lauderdale, Fla., for $18 million. After major equipment investment, the station went on the air in June, 1985, as a Spanish-language station, Blair's second in addition to WKAQ-TV. The station will be programed by Telemundo, operator of WKAQ-TV.

Blair expanded its market for KSBW-TV, Salinas, Cal., by erecting a new broadcast tower. Now able to reach San Jose and southern Santa Clara County, Blair estimates it has added 67,000 homes to its viewing audience out of a potential 500,000.

All that good news was largely eclipsed, however, by the performance, or lack of it, turned in by John Blair Marketing and ADVO, and still is. In the first quarter ended March 31, 1985, Blair posted a loss in earnings of $7.85 million, compared with an earnings gain of $1.1 million the corresponding period in 1985. Revenues for the quarter rose 69.5% to $228.1 million in 1985. During the period, the couponing division of the Blair Marketing segment suffered a loss as expected. Profits were up for broadcasting and printing over-all, but down for the Blair owned and operated portion of broadcast.

Blair initially conceived of the ADVO purchase as a means of enhancing Blair Marketing's ability to deliver cents-off coupons to consumers. Free-standing newspaper inserts (fsi's), the company's traditional vehicle, were becoming increasingly competitive. By combining the insert with the ADVO Marriage Mail package, a new product dubbed Network Mail. Blair thought it would obtain an advantage over its competitors.

The company has been hard hit in 1984 and so far in 1985, however, by a softening market for inserts compounded by an overly ambitious expansion at ADVO that called for delivering Marriage and Network Mail to more than 45 million homes.

The result has been a 1983 operating profit of $15.8 million that faded to slightly more than $6 million last year for the marketing services segment. Worse, the entire profit came from ADVO as pre-ADVO marketing operations turned in a loss.

The problems were many. Increased numbers of free-standing inserts made it difficult, if not impossible, to deliver product exclusivity on any given date. On some Sundays as many as four inserts appeared. Further, a price war broke out that forced prices and profits down.

Reorganization struck the group in the fall. Robert Hemm, who founded the marketing operation and led the move to acquire ADVO, was out. Jack Valentine, ADVO president, was in. Some 40 executives were let go. This year, too, John Blair Marketing plans six fewer fsi's than it had last year. That number is down even more from what originally had been planned.

ADVO wasn't exempt from the reorganization. While the number of Network Mail drops was increased from 12 to 20, circulation was scaled back. Markets served were cut from 215 to 160 while facilities were consolidated. The result is a circulation of 30 million, down from 45 million.

Not counted as media income for Blair, but contributing substantially to its over-all profit, is its media representation business to nonowned stations.

The operation had revenues of $62.2 million and operating profit of $11.8 million. While that performance is expected to continue through 1985, a shadow has been cast on the operation beyond that date.

Capital Cities Communications, now in the process of buying ABC, has been a major Blair client. Blair hopes it will not lose the business even if the stations are sold. In any event, Blair does not expect to be affected by the sale until sometime in 1986.

MEDIA PROPERTIES

Broadcasting

TV: WSCV, Fort Lauderdale; WKAQ, San Juan; KOKH, Oklahoma City; KSBW, Salinas, Cal.; KSBY, Santa Barbara.

RADIO: KVIL (am, fm), Dallas; WHDH (am), WZOU (fm), Boston; WIBC (am), WNAP (fm), Indianapolis; WFLA (am, fm), Tampa.

Other media properties

ADVO-System, Hartford; John Blair Marketing, New York.

OTHER OPERATIONS

Blair Entertainment, RPR Productions, Blair Pro-Rodeo Enterprises, Blairsat Inc., Quantiplex, Starfleet Blair Inc., ad repping to non-owned stations, printing.

Bonneville Corp.

RANK 84

Salt Lake City

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	119	107	11.3
Total sales	151	134	13.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	119	107	11.3
Cable	0	0	0

Bonneville International Corp., Salt Lake City, is the country's 84th largest media company, with 1984 media revenues of $119.1 million, 78.7% of total revenues.

Media revenues in 1984, split evenly between radio and tv at Bonneville, increased 11.3% over 1983. The remaining 21.3% of Bonneville's returns stemmed from satellite and data systems and radio production services.

The company's broadcast station holdings remain unchanged. Bonneville, a closed corporation of the President of the Church of Jesus Christ of Latter-day Saints, owns two CBS-affiliate tv stations, in Salt Lake City and Seattle, and five am and seven fm radio stations.

However, Arch Madsen, Bonneville president, says the company is looking at both radio and tv acquisition possibilities, which have surfaced since the removal of the 7-7-7 ownership rule. Aside from future prospects, Mr. Madsen says Bonneville's main concern in broadcast is to continue to improve programing quality, especially broadcast journalism. Its long-standing satellite capabilities have allowed the company to remain on top of news events as they occur.

Its satellite involvement and electronic data transmission communications keep Bonneville "on the cutting edge" of technology, research and ultimate commercial application of these methods, Mr. Madsen says. He sees Bonneville expanding rapidly in these areas. However, last year's plans for construction of an additional uplink in New York have been dropped because of high cost.

Bonneville Communications, the merger of Bonneville's satellite division and radio data service, is one year old and growing, particularly in data transmission. During the past year, Bonneville Communications division has entered into agreements with several new companies to expand in this area. For McGraw-Hill, for example, Bonneville is developing electronic mail concepts. During the past year, Bonneville signed a contract with General Electric Information Systems Co. (GEISCO) to pool resources on a joint value-added network sales program. A similar agreement was signed with another company, Tymnet Co.

Bonneville Communications also continues to hold contracts with companies such as Western Union Industries and Southern Pacific Transportation Co. for operating satellite transponder channels. The company recently signed a contract with Turner Broadcasting System's Cable News Network to transmit some of its services.

Active in teletext transmission at both its tv stations for seven years, Bonneville services between 700 and 800 telephone calls daily from users of personal home computer who dial into its CBS affiliates to get news readouts. The 24-hour-a-day news service, updated eight times a day, is being conducted in cooperation with CBS. Although Mr. Madsen wishes there were faster movement in this area on the part of CBS, he says the service is progressing, and it continues to provide background for potential commercial usage.

Developments in Bonneville's radio activities included moving subsidiary Bonneville Broadcasting System, a "beautiful music" syndicator, from Tenafly, N.J., to Northbrook, Ill., where Bonneville's three radio production divisions are located. The subsidiary bought Schulke Radio Productions from Cox Communications for $1.7 million, to add to Chicago-based Darrel Peters Productions, acquired a year earlier.

Bonneville's objectives for the coming year are to continue its current range of activities with an eye toward acquiring other broadcast properties and pursue electronic data transmission and satellite activites, Mr. Madsen says.

MEDIA OPERATIONS

Broadcasting

TV: KSL, Salt Lake City; KIRO, Seattle.

RADIO: KAAM (am) and KAFM (fm), Dallas; KBIG (fm), Los Angeles; KIRO (am) and KSEA (fm), Seattle; KMBZ (am) and KMBR (fm), Kansas City, Mo.; KOIT (am, fm), San Francisco; KSL (am), Salt lake City; WCLR (fm), Skokie, Ill.; WRFM (fm) New York.

OTHER OPERATIONS

Bonneville Broadcasting System, Bonneville Productions, Bonneville Telecommunications, Radio Data Services.

Cahners Publishing Co.

RANK 58

Boston

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	200	160	25.0
Total sales	270	200	35.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	200	160	25.0
Broadcast	0	0	0
Cable	0	0	0

New magazine titles, both acquired and developed internally, will continue to build revenues at Cahners Publishing Co., the nation's 58th largest media company, with media revenues of $200 million in 1984.

Total revenues, of which media represent 74%, leaped 35% from fiscal 1984 to $270 million in fiscal 1985, ended in March, 1985.

William Platt, exec vp, magazine division, expects total revenues in fiscal 1986 to reach $300 million, with the growth area shifting to trade shows.

Media, during fiscal 1984, was up 25% in revenues over the previous year. Almost as striking as the revenue growth was a 13% boost in the number of ad pages in 1984. The ad pages of the company's two flagship publications, *EDN* and *Restaurants & Institutions*, jumped 22% and 29% respectively.

Cahner's secret to growth has been its ability to place its weight behind the right properties, whether resuscitating an ailing publication or divesting the money losers.

That is the case of *Transition/Medicine and the Aging Process*, which Cahners got in March, 1983, when it purchased Fischer Medical Publications, New York, and later folded the magazine in 1984. "When [Steve Fischer] started *Transition*, some of his own people said it would never work," Mr. Platt says. "After we looked at the size of the market, we agreed." Rather than put the book on extensive life support, Cahners "zeroed in and put all its effort into *Emergency Medicine*, which was the real money maker" among the Fischer properties.

The medical publications have not fared well under Cahners' ownership—ad pages of the two remaining Fischer publications, *Emergency Medicine* and *Journal of Cardiovascular Medicine*, declined about 20% in 1984.

It is not Cahners' style to buy ailing properties and attempt to heal them. Mr. Platt agrees although states extenuating circumstances: "When we bought the Fischer books they were coming off a top year and the years ahead looked good. Then a few months later, Steve Fischer died and some key salesmen left. When you lose

The media auction block: Who

PRINT

Buyer	Property	Seller	Price
[illegible]	*Sayre Journal, Kiowa County Democrat/Mountain Park News*	[illegible]	N/A
[illegible]	*The New Yorker, Horticulture, Cook's Magazine*	The New Yorker Magazine Inc.	142,000,000
[illegible]	*Zephyrhills* (Fla.) *News, Anna Maria Islander*	New York Times Co.	N/A
[illegible]	*Interior Design, Corporate Design & Reality*	Whitney Communications Corp.	N/A
[illegible]	*Narragansett* (R.I.) *Times, Standard Times of North Kingston* (R.I.)	[illegible]	N/A
	Sutton Industries	Sutton Industries	N/A
	Institutional Investor	Institutional Investor Inc.	40,000,000
CBS Inc.	*Backpacker, Boating, Car & Driver, Cycle, Flying, Modern Bride, Popular Photography, Skiing, Skiing Trade News, Stereo Review, The Runner, Yachting*	Ziff-Davis Publishing Co.	362,500,000
[illegible]	*Yuma* (Ariz.) *Daily Sun*	[illegible]	N/A
	Orange (Tex.) *Leader*	[illegible]	N/A
[illegible]	*Davis* (Cal.) *Daily Democrat*	[illegible]	N/A
	Ukiah (Cal.) *Daily Journal, Mendocino* (Cal.) *Beacon, Advocate News* (Fort Bragg, Cal.)	Mendocino Publishing Co.	N/A
	Altus (Okla.) *Times*	Jefferson-Pilot Corp.	N/A
	Norman (Okla.) *Transcript*	[illegible]	N/A
Dow Jones & Co.	*News-Sun* (Sun City, Ariz.)	[illegible]	9,000,000
Dun & Bradstreet	Ironoak Co.	Ironoak Co.	N/A
	Test & Measurement World	[illegible]	N/A
	A.C. Nielsen Co.	A.C. Nielsen Co.	N/A
Family Media	*World Tennis, Savvy*	CBS Inc.	N/A
Field Corp.	Pioneer Press	Time Inc.	N/A
Gannett Co.	*Des Moines Register & Tribune, Jackson* (Tenn.) *Sun*, Triangle Sign Co.	Des Moines Register & Tribune Co.	200,000,000
	Family Weekly	CBS Inc.	42,500,000
Jeffrey Gluck	*St. Louis Globe-Democrat*	Advance Publications	1,000,000
Harcourt Brace Jovanovich	*Plastics Compounding, Plastics Design Forum, Plastics Machine & Equipment*	Industry Media Inc.	N/A
	Pit & Quarry, Concrete	Pit & Quarry Publications	N/A
	Meat Processing	Davies Publishing Co.	N/A
	Bicycle Dealer Showcase, Motorcycle Dealer News, Spa and Suana Trade Journal, Flotation Sleep Industry, Video Store	Hester Communications	N/A
Harte-Hanks Communications	*Tampa* (Fla.) *Neighbor*	North American Publications	N/A
	Sudbury (Mass.) *Town Crier & Fence Viewer* and *Wayland-Weston* (Mass.) *Town Crier*	Town Crier Inc.	N/A
Hearst Corp.	*Laredo Morning* (Tex.) *Times, Beaumont Enterprise, Clearwater* (Fla.) *Sun*	Jefferson-Pilot Corp.	N/A
	Diversion, Diversion Travel Planner, Fair Lanes (Ford Motor Co.), *Sojourn* (Insurance Cos. of North America), *American Traveler* (Days Inn), *First* (Hertz), *Time Off* (Wagner Paint Co.), *Walt Disney World Official Guide, Disneyland* Official Guide	Diversion Communications	N/A
Ingersoll Publications	*Alton* (Ill.) *Telegraph*	Cousley and McAdams families	N/A
	Collinsville (Ill.) *Herald, Granite City* (Ill.) *Press Record*	Thomson Newspapers	N/A
	Jefferson County (Mo.) *Daily Rocket*	Eugene Mace	N/A
Journal Co.	*Oshkosh* (Wis.) *Buyer's Guide, Neenah* (Wis.) *Buyer's Guide*	Outlook Graphics Corp.	N/A
Landmark Communications	*Henry County* (New Castle, Ky.) *Local*	Henry County Local Co.	N/A
	Style	Style Inc.	N/A
	Senior World	Senior World Inc.	N/A
Maclean Hunter Communications	*Houston Post*	H & C Communications	100,000,000
	Phenix Citizen (Phenix City, Ala.)	Thomson Newspapers	N/A
Morris Communications Corp.	Naegle Outdoor Advertising	Major Media Inc.	N/A
News America Publishing	*A/C Flyer, Aerospace Daily, Aviation Daily, Business & Commercial Aviation, Hotel & Travel Index, Meetings & Conventions, Official Hotel & Resort Guide, Official Meeting Facilities Guide, Travel Weekly, Weekly of Business Aviation, World Aviation Digest* and *World Travel Digest*	Ziff-Davis Publishing Co.	362,500,000
	Chicago Sun-Times	Field Enterprises	100,000,000
	New Woman	[illegible]	20,000,000
The New York Times Co.	*Spartanburg* (S.C.) *Herald-Journal, Tuscaloosa* (Ala.) *News, Gadsen* (Ala.) *Times*	Public Welfare Foundation	N/A
Park Communications	*Jeffersonville* (Ind.) *News, Clark County* (Ind.) *Journal*	News & Journal Inc.	N/A
	Medina (N.Y.) *Journal-Register, Albion* (N.Y.) *Advertiser*	Medina Daily Journal & Register In	N/A
Pulitzer Publishing Co.	Lerner Newspapers	Lerner Newspapers	N/A
Scripps Howard	*Port St. Lucie* (Fla.) *Mirror, Jensen Beach* (Fla.) *Mirror*	[illegible]	N/A
Thomson Newspapers	*Herald-Palladium* (Benton Harbor/St. Joseph, Mich.)	Palladium Publishing Co.	N/A
	Altoona (Pa.) *Mirror*	[illegible]	N/A
	Americus (Ga.) *Times-Recorder*	[illegible]	N/A
	Easton (Pa.) *Express*	[illegible]	N/A
	Lebanon (Pa.) *Daily News, Sunday Pennsylvanian*	[illegible]	N/A
	Saint George (Utah) *Daily Spectrum*	[illegible]	N/A
	Post-Crescent (Appleton, Wis.)	[illegible]	N/A
[illegible]	Southern Progress Corp.	[illegible]	395,000,000
[illegible]	Call-Chronicle Newspapers (Allentown, Pa.)	[illegible]	106,000,000
[illegible]	*Daily Dispatch* (Douglas Ariz.)	[illegible]	N/A
	Software News, DBI Books	[illegible]	N/A
	U.S. News & World Report		N/A

NOTE: This chart includes transactions involving only the 100 leading media companies

bought what from whom in 1984-85

ELECTRONIC

Buyer	Property	Seller	Price
[illegible]	KSGO (am) and KGOV (fm), Portland, Ore.	[illegible]	N/A
	KVOS-TV, Bellingham, Wash.	[illegible] Broadcasting Corp. [illegible]	N/A
	KJR (am), Seattle	Metromedia	N/A
Affiliated Broadcasting	KHEP (fm), Phoenix	Grand Canyon Broadcasting	6,000,000
	KFYE (fm), Fresno, Cal.	[illegible] Communications	6,700,000
American Broadcast Cos.	KTKS (fm), Dallas/Fort Worth (formerly KIKX (fm), Denton, Tex.)	Hicks Communications	9,000,000
	ESPN	Texaco	227,000,000
American Media Inc.	WLIF (fm), Baltimore	Cox Communications	N/A
A.H. Belo Corp.	Corinthian Broadcast Group	Dun & Bradstreet	N/A
Blade Co.	KTRV, Nampa/Boise, Ida.	Peyton Broadcasting Ltd.	4,900,000
John Blair & Co.	WSCV-TV, Fort Lauderdale, Fla.	Oak Industries	18,000,000
Bonneville International	Schulke Radio Productions	Cox Communications	1,700,000
Capital Cities Communications	American Broadcasting Cos.	American Broadcasting Cos.	3,500,000,000
	WFTS-TV, Tampa, Fla.	Sandy Wheeler	30,000,000
	KLAC (am) Los Angeles	Metromedia	11,000,000
CBS Inc.	KTXQ (fm), Dallas/Fort Worth, KLTR (fm), Houston, WSUN (am) and WYNF-FM, Tampa/St. Petersburg, WLTT (fm), Washington	Taft Broadcasting Co.	107,500,000
Cox Communications	WFTV, Orlando	SFN Cos.	185,000,000
	WCKG (fm), Chicago (formerly WAGO (fm))	WXFM Inc.	9,000,000
	WKBD-TV, Detroit	Field Communications	70,000,000
Cox Enterprises	Cox Communications	Cox Communications	1,300,000,000
Gary Edens	KOY (am), KQYT (fm), Phoenix; WRBQ (am, fm), Tampa, Fla.; WRVA (am),WRVQ (fm), Richmond, Va.; WSGN (am), Birmingham, Ala.	Harte-Hanks Communications	43,200,000
Eastern States Broadcasting	WEAN (am), WPJB (fm), Providence, R.I.	Providence Journal	N/A
Jack Fritz/Charles Fritz	WXYZ (am), Detroit	American Broadcasting Cos.	3,000,000
Gannett Co.	WDAE (am), Tampa, Fla.	Taft Broadcasting Co.	6,100,000
	KKBQ (am, fm), Aztec, N.M.	Harte-Hanks Communications	35,000,000
Greater Media Inc.	WRC (am), Washington	RCA Corp.	N/A
Gulfstream Cablevision	Cable system in New Port Richey, Fla.	Storer Communications	27,000,000
H&C Communications	WESH-TV, Daytona Beach/Orlando, Fla.; KCCI-TV, Des Moines, Ia.	Cowles Communications	182,550 000
Harte-Hanks Communications	Ultra-Com Inc. (Cable systems in Montgomery, Pa.)	Ultra-Com Inc.	75,000,000
	Jim E. Smith Inc. (Cable systems in Arizona)	Jim E. Smith Inc.	25,000,000
Hearst Corp.	WCVB-TV, Boston	Metromedia	450,000,000
Heritage Communications	Three cable systems serving Dallas	Warner Amex Cable Communications	110,000,0000
Jacor Communications	Georgia Radio News Service, WGST (am), WPCH (fm), Atlanta	Meredith Corp.	20,000,000
Jones Intercable	Teletron Inc.	Journal Co.	25,000,000
Journal Co.	WFSL-TV, Lansing, Mich.	F & S Comm/News Inc.	8,200,000
LIN Broadcasting	WISH-TV, Indianapolis; WANE-TV, Fort Wayne, Ind.	A.H. Belo Corp.	104,900,000
MTV Networks	MTV: Music Television, Nickelodeon	Warner Communications	67,700,000
Multimedia Inc.	Four cable systems in Oklahoma	[illegible] Inc.	22,500,000
Odyssey Partners	WCPQ-TV, Charlotte, N.C.	Westinghouse Electric	24,300,000
Outlet Communications	WATL-TV, Atlanta	Sillerman-Morrow	28,000,000
	WPDS-TV, Indianapolis, Ind.	[illegible] Inc.	22,000,000
RCA Corp.	WJIB (fm), Boston	General Electric Co.	N/A
Resort Broadcasters Inc.	WETT (am), Ocean City; WWTR (fm), Bethany Beach, Md.	A.S. Abell Co.	2,600,000
RKO General	RKO Radio Networks	United Stations Radio Networks	N/A
Sammons Communications	Cable system serving Pascagoula, Miss.	Gulf Coast Cable	N/A
	Cable systems serving Dumas and Sunray, Tex.	Warner Amex Cable Communications	N/A
	Cable system serving Fort Worth, Tex	Storer Cable Communications	N/A
Scripps Howard Co.	KNXV-TV, Phoenix	New Television Corp.	31,000,000
S&F Communications	WMAR (fm), Baltimore; WJTZ (am), Newport News, Va; WNVZ (am), Norfolk, Va.; WCRJ (am, fm), Jacksonville, Fla.; WCFI (fm), Daytona Beach, Fla; WLFL-TV, Raleigh, N.C.	A.S. Abell Co.	32,000,000
SFN Cos.	WFTV-TV, Orlando, Fla.	Channel Nine of Orlando Inc.	125,000,000
	WTVM-TV, Columbus, Ga.; WJBF-TV, Augusta, Ga.; WAPA-TV, San Juan, P.R.; KCAP (am, fm), Helena, Mont.; WGVO (am), Missoula, Mont.	Western Broadcasting	116,000,000
Simmons Communications	Long Beach (Cal.) Cablevision, Signal Hill (Cal.) cable system	Knight-Ridder and Times Mirror Co.	N/A
Southeastmedia Inc.	WTOK-TV, Meridian, Miss.	H&C Communications	13,200,000
Spanish Broadcasting	KZLA (am), Los Angeles	Capital Cities Communications	N/A
Taft Broadcasting Co.	WSUN (am), St. Petersburg, Fla.	Schering-Plough	7,600,000
	KEX (am), KKRZ (fm), Portland, Ore.	Gene Autry	8,100,000
	KTSP-TV, Phoenix, Ariz.; WTSP-TV, Tampa, Fla.; WGHP-TV, Greensboro/High Point, N.C.; KTXA-TV, Dallas/Fort Worth; KTXH-TV, Houston; WKLS (am, fm), Atlanta; KTXQ (fm), Dallas/Fort Worth; WNDE (fm), WFBQ-FM, Indianapolis, Ind.; WLTT (fm), Bethesda, Md.; KLTR (fm), Houston; WLTT (fm), Washington	Gulf Broadcast Co.	760,000,000
Tribune Co.	KTLA-TV, Los Angeles	Kohlberg Kravis Roberts & Co.	510,000,000
Twentieth Holdings Corp.	WFLD-TV, Chicago; KRIV-TV, Houston; KTTV-TV, Los Angeles; WNEW-TV, New York; WXIX-TV, Cincinnati; WTTG-TV, Washington	Metromedia	N/A
United Cable	Cable system in Hartford, Conn.	Times Mirror	61,500,000
	Six cable systems in Tulsa, Okla.	[illegible]	N/A
Viacom International	WEAM (am), Arlington, Va.	[illegible]	1,200,000
	WKDJ Memphis, Tenn.	[illegible] Broadcasting Co.	1,500,000
[illegible] Pacific	KQXT (fm), San Antonio, Tex.	[illegible]	7,000,000
[illegible]	WSNE (fm), Taunton, Mass.	[illegible]	3,600,000
	WLOS (fm), Asheville, N.C.		1,750,000

people like that it doesn't go without some effect."

The books were laid up even further when the medical market underwent its first downturn in 10 years. "However, the field should come around next year and we're picking up share of market," he says.

Another facet of Cahners' personality is its tenacity, illustrated by its weathering the depressed market conditions of the early 1980s that cut deep into Cahners' building and construction group. Now the industries have become healthy, as have Cahners' publications addressing them. But the building group's competitors also have gained strength.

Cahner's *Building Supply & Home Centers* and *Professional Builder*, historically two of the group's top performers, are in fierce fights. "In those categories, every book in the field is separated by only a couple of share points," Mr. Platt says. "The industry is slowing up a little now, but as long as we continue to pick up market share we'll be satisfied."

Further proof that the company will stand by its man, Cahners took a "stepchild," according to Mr. Platt, and conferred upon it favorite son status. *Corporate Design & Realty*, formerly *Corporate Design*, was redesigned and repositioned to include management information for building managers.

"We were able to expand the market dramatically," he says.

"It was a question of getting out of the business or putting some money into it and expanding the advertiser base," Mr. Platt says. "We showed our commitment by boosting the frequency and putting a lot of four-color work into it." The result is a dramatically improved circulation statement, he says, as well as a 72% leap in ad pages and an 8.2% jump in market share.

Purchased with *Interior Design* from Whitney Communications Corp., New York, in April, 1984, *Corporate Design & Realty* illustrates Cahners' growth strategy. "We'll continue to emphasize acquisitions," Mr. Platt says, "because the property already has a name, you don't have to build initial circulation or hire an editorial staff. An established publication also has trend lines, so you can see how it has grown and judge its potential. The task is basically to bring it up to Cahners' standards."

As single-minded as this sounds, "if we see a need for something and there's nothing addressing it, we'll continue to launch books filling those niches," he says.

Bar Business, scheduled to begin monthly distribution to 101,000 readers in September, fits this pattern. "There was no real bar business magazine, just basically a listing of prices," Mr. Platt says. "This industry needed a spokesman."

It seems rather unusual that traditionally conservative Cahners would select such a volatile industry—one experiencing steadily declining sales, particularly in out-of-home consumption—to launch only its fourth startup. "There's still a tremendous amount of advertising going on," he says. "If companies continue to produce brands with little or no alcohol, they'll still have to promote them. As the market shrinks, they also should be pressured to promote more in the bars.

"As for the bar managers and owners," Mr. Platt says, "they need more information because of the changing laws. They also will need assistance in how to increase profits in a tightening market."

The launch of *Bar Business* probably does not signal a shift toward more risky ventures on Cahners' part. The company's steady growth primarily has resulted from solid acquisitions of stable properties, and Cahners' activities indicate this strategy largely will remain unchanged.

MEDIA PROPERTIES

Annual directories

U.S. Industrial Directory in addition to annual buying guides and services directories produced by some of the individual magazines and newsletters.

Magazines

Appliance Manufacturer, Bar Business, Brick & Clay Record, Building Design & Construction, Building Supply & Home Centers, Business Computer Systems, Ceramic Industry, Construction Equipment, Corporate Design & Realty, CPI Purchasing, Design News, EDN, Electronic Business, Electronic Packaging & Production, Electro-Optical Systems Design, Emergency Medicine, Hotels & Restaurants International, Foodservice Equipment Specialist, Interior Design, Journal of Cardiovascular Medicine, Mini-Micro Systems, Modern Materials Handling, Packaging, PC Products, Plastics World, Professional Builder/Apartment Business, Purchasing, Restaurants & Institutions, Security Distributing & Marketing, Security World, Semiconductor International, Specifying Engineer, Traffic Management.

Newsletters

Building & Construction Market Forecast, Buying Strategy Forecast, Early Warning Forecast, Electronic Business Forecast, Energy Design Update, Hazardous Materials Transportation, Oil Spill Intelligence Report, Plastics Business News, Tradeshow Week, Transport (De)Regulation Report.

OTHER PROPERTIES

Cahners Exposition Group.

Capital Cities Communications

New York

RANK 16

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	940	762	23.3
Total sales	940	762	23.3
Net income	143	115	24.4
Sales per medium			
Newspaper	329	290	13.5
Magazine	263	156	68.5
Broadcast	272	236	15.3
Cable	76	67	13.9

Capital Cities Communications, New York, surprised the communications industry with the 1985 acquisition of American Broadcasting Cos.—four times its size. Cap Cities is the 16th largest media company with 1984 revenues of $939.7 million, up 23% from 1983.

Cap Cities revenues, all from media operations, helped generate a net income of $135.2 million, up 17.9%, giving Cap Cities a profit margin among the highest in the broadcasting industry.

However, in the first three months of 1985, Cap Cities had lower returns, mimicking much of the rest of the industry for the quarter. Revenues of $234.1 million were 13% above the similar period in 1983. Net income increased only 2.2% to $27.7 million. Soft advertising demand both in publishing and broadcasting hurt the bottom line.

In late June, 1985, Cap Cities shareholders were expected to vote for the proposed merger with ABC, the largest media buyout ever. Cap Cities in March, 1985, proposed to buy ABC for $3.5 billion. Stockholders from both companies were expected to approve the merger June 25.

Just prior to the shareholder's meetings, Cap Cities said it planned to sell its cable operation—ranked the 21st largest with 375,000 basic subscribers—to the Washington Post Co. for $375 million. The sale, which is in keeping with the $1,000 per subscriber industry standard for such transactions, is part of Cap Cities' plan to raise $1 billion to finance the ABC acquisition.

During 1984, most of Cap Cities' revenues derived from its publishing entities. Including results from its most recent purchase in the publishing field, *Institutional Investor*, Cap Cities' publishing division produced $591.6 million in 1984, 63% of its total revenue base. Broadcasting contributed $271.8 million, or 29%. The final and much smaller piece of the Cap Cities media empire, cable tv, had $76.3 million in revenues last year.

Though its publishing revenue base is larger, broadcasting is a far more lucrative business for the company. Operating income of the division in 1984 was $141.6 million or 53% of corporate operating income. Publishing accounted for $133.2 million in operating income.

Cap Cities attributed its banner year of 1984 in part to the contribution of the ABC-TV Network broadcasts of the Winter and Summer Olympics. The company's four largest stations are ABC affiliates: WPVI-TV, Philadelphia; KTRK-TV, Houston; WTNH-TV, New Haven, Conn., and WKBW-TV, Buffalo, N.Y.

Cap Cities made several acquisitions in 1984. In August, an independent uhf in Tampa, WFTS-TV, was purchased, bringing Cap Cities' total tv holdings to six. In December, KLAC-AM, Los Angeles, was purchased and KZLA-AM was sold to Spanish Broadcasting Systems of California Inc. Cap Cities continues to own 12 radio stations. This configuration will change dramatically after the merger with ABC, when as many as four tv stations will be sold. In addition, Cap Cities owns 54 cable systems, which will be spun off after the merger in accordance with media concentration of ownership rules. (See ABC profile in this issue for likely divestitures resulting from the ABC acquisition.)

In March, the company made a large shopping guide acquisition with the purchase of Sutton Industries, Mission Viejo, Cal., which distributes some 1.3 million weekly fliers in Southern California.

Sutton joins Cap Cities other regional shoppers *Pennypower Shopping News* (distributed in Kansas and Missouri), *Little Nickel Want Ads* (purchased in 1983 and distributed in Seattle), and *Pennysaver* (distributed in Southern and Central California).

Last August, *Institutional Investor* was purchased for about $40 million—Cap Cities' major publishing buy of the year. This top financial publication joins a host of other specialized publications in the Cap Cities Fairchild Publications' stable.

The past two years have been especially frenetic and productive ones for Cap Cities' specialized publishing division. In 1983, *M*, the men's fashion monthly, was inaugurated and sustained higher than expected losses its first full year because of cost overruns. Last year, the consumer version of *Sportstyle* was folded after just nine issues, while the trade version of the publication continued.

A new magazine for children's fashions, toys and furniture, *Children's Business*, is in the planning stages. The magazines are published by Fairchild Publications, which also publishes *Women's Wear Daily, W, Footwear News, Supermarket News* and *MIS Week*.

The company's other magazine publishing operations include the International Medical News Group, Rockville, Md.; Professional Press, New York; American Traveler, New York, which publishes *Travel Agent*; Philatelic Publications, Albany, Ore., and Electronic Publishing, New York and Norwalk, Conn. The magazines achieved record revenues last year thanks to favorable market conditions.

Similar conditions were absent in the metal working publications' mar-

Since 1984, the Times Publishing Company has worked to reach excellence. And while there's much left to be done, we've made some impressive strides:

- In 1984, the *St. Petersburg Times* was cited as one of America's top ten newspapers by *Time Magazine* and judged to have the world's best color reproduction by Kodak. This year we won a Pulitzer Prize for investigative reporting.
- Winner of more than 600 state, regional and national awards, the *Evening Independent* has a whole new look — and circulation gains to go with it.
- *Florida Trend* was named the nation's best regional business publication by the University of Missouri School of Journalism and the American Association of Business Publications.
- *Florida Trend's* sister publication, *Georgia Trend*, will begin publication in September, 1985.
- Modern Graphic Arts produced more than 190 million pieces of quality printing and opened new offices in Atlanta and Charlotte.
- Washington-based *Congressional Quarterly*, the nation's foremost journal on Congress and political action, in 1984 won the Everett McKinley Dirksen Award for Distinguished Congressional Reporting. We also launched the Washington Alert Service offering worldwide on-line access to comprehensive and timely information on Congress, politics and national issues.

New challenges lie ahead,
but as we begin our second
century our goal
remains the same ...
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Florida Trend • Georgia Trend • Congressional Quarterly**

ket, however, although revenues increased slightly over 1983.

Cap Cities also continued to add to its weekly and twice-weekly newspaper holdings, which include 14 newspapers in Connecticut, Illinois, Missouri, New Jersey, Oregon, Pennsylvania and Texas. In January, 1984, Wilson Publishing, a small publisher of weeklies in Rhode Island, was purchased. Shore Line Newspapers, a string of weeklies in Connecticut and Rhode Island, began two new weeklies and acquired two others. Shore Line had a record earnings year.

Cap Cities began marketing its 1983 database publishing acquisition, Videolog, late last fall.

While Cap Cities' daily newspaper circulation declined slightly from 1983 to 1984 (Sunday newspaper circulation increased slightly), the company's eight major market newspapers had record ad volume last year. Total newspaper revenue was $328.7 million, a 15% increase from 1983, while ad volume was $275.6 million, a 17% increase. One of the best performers in the newspaper group was the *Fort Worth Star-Telegram*. Resurgence of the auto industry continued to spur the performance of the Pontiac, Mich.-based Oakland Press.

Cap Cities' cable tv division had only marginal success last year. The division earned $2.5 million in operating income on revenues of $76.3 million, a slight increase over 1983's performance. One reason: Premium subscribers, those who order pay services, leveled off last year as pay tv began to mature. The company made few additions to its cable operation in 1984. A small system in Oklahoma was added, and in January, a 5,000-subscriber system in Union City, Cal., was purchased.

Most of the action in 1985 will be the spinoff of several highly profitable Cap Cities tv stations and ABC radio stations as part of the new company's compliance with FCC media concentration regulations. Cap Cities, however, says it will seek a temporary waiver from the FCC on the sale of radio stations in Chicago, San Francisco, New York and Los Angeles owned either by Cap Cities or ABC in order to allow more time to sell the properties in an orderly way.

MEDIA PROPERTIES

Broadcasting

TV:KTRK, Houston; KFSN, Fresno, Cal.; WKBW, Buffalo; WPVI, Philadelphia; WTNH, New Haven-Hartford; WTVD, Durham-Raleigh.

RADIO: KLAC (am), KZLA (am, fm), Los Angeles; WPAT (am, fm), Paterson, N.J.; WJR (am), WHYT (fm), Detroit; WBAP (am), KSCS (fm), Dallas-Fort Worth; WKHX (fm), Marietta-Atlanta; WKBW (am), Buffalo; WPRO (am, fm), Providence.

Cable/video

Capital Cities Television Production.

CABLE: ARIZONA: Clifton, Cottonwood, Globe, Holbrook, Page, Safford, Show Low, Winslow. CALIFORNIA: Burlingame, Modesto, Oakdale, Santa Rosa, Union City. ILLINOIS: Highland Park. INDIANA: Greenwood. IOWA: Sioux City. KANSAS: Abilene, Beloit, Clay Center, Concordia. MICHIGAN: Plymouth, Saline. MISSISSIPPI: Clarksdale, Gulfport. MISSOURI: Brookfield, Joplin, Kirksville, Trenton. NEBRASKA: Norfolk. NEW MEXICO: Rio Ranchio, Roswell. NORTH DAKOTA: Fargo. OHIO: Green Township. OKLAHOMA: Altus, Ardmore, Frederick, Hobart, Idabel, Mangum, Miami, Nowata, Ponca City, Vinita. TENNESSEE: Dyersburg. TEXAS: Aransas Pass, Bonham, Childress, Denison, Lampasas, Lufkin, Memphis, Odessa, Port Lavaca, Sherman, Wellington.

Magazines/specialized publications

Fairchild Publications: *American Metal Market, Daily News Record, Electronic News, Electronics Retailing, Energy Users News, Entree, Fairchild News Service, Fairchild Book Division, Footwear News, HFD-Retailing Home Furnishings, Heat Treating, Home Fashions Textiles, M, MIS Week, Metalworking News, Metal Center News, Multichannel News, Sportstyle* (business edition), *Supermarket News, Women's Wear Daily, W*. International Medical News Group: *Clinical Psychiatry News, Family Practice News, Internal Medicine News, Mercury Press, OB.GYN. News, Pediatric News, Skin & Allergy News*. Professional Press: *International Contact Lens Clinic, Journal of Learning Disabilities, Optical Index, Optometric Monthly*. American Traveller: *El Travel Agent Internacional, Travel Agent*. Institutional Investor: *Institutional Investor*. Capital Cities has two philatelic publications, *Stamp Collector, The Stamp Wholesaler*.

Electronic publishing

Securities Data, Videolog Communications.

Newspapers (daily)

ILLINOIS: *Belleville News-Democrat*. MICHIGAN: *Oakland Press* (Pontiac). MISSOURI: *Kansas City Star, Kansas City Times*. NEW JERSEY: *Red Bank Register*. *OREGON: Albany Democrat-Herald, Ashlcnd Daily Tidings*. PENNSYLVANIA: *Wilkes-Barre Times-Leader*. TEXAS: *Fort Worth Star-Telegram.*

Newspapers (non-daily)

CONNECTICUT: Shore Line Newspapers, Guilford. ILLINOIS: *Highland News-Leader*. NEW JERSEY: *Ocean County Reporter*, (Toms River). OREGON: *Cottage Grove Sentinel, Gresham Outlook, Lebanon Express, Newport News-Times, Sandy Post, Springfield News*. RHODE ISLAND: *Narragansett Times, Standard Times*. TEXAS: *Arlington Citizen-Journal.*

Pennysavers

CALIFORNIA: *Pennysaver* (Orange, Riverside and San Diego counties, Sacramento and Stockton), Sutton Industries. KANSAS/MISSOURI: *Pennypower News* (Wichita and Topeka, Kan., Springfield, Mo.). *Little Nickel Want Ads* (Seattle/Tacoma).

CBS Inc.
New York

RANK
2

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	3,340	2,683	24.5
Total sales	4,925	4,540	8.5
Net income	212	187	13.4
Sales per medium			
Newspaper	0	0	0
Magazine	619	294	111.0
Broadcast	2,721	2,389	13.9
Cable	0	0	0

CBS Inc., New York, which is fending off a takeover attempt by Ted Turner, chairman of Turner Broadcasting, is the 2nd largest U.S. media company, with 1984 revenues from media operations estimated by Advertising Age at $3.03 billion, up 12.9% from 1983.

CBS, which had 1984 corporate-wide net income of $212.3 million, up 13.4% from the previous year, on revenues of $4.93 billion, up 8.5% from the previous year, during most of 1985 has been putting up roadblocks to Mr. Turner's bid. From continuing operations, revenues in 1983 would be $4.396 billion, and the revenue growth 12.1%.

The Turner offer is $5.4 billion, a value he places on his so-called high-yield, high-risk "junk bonds" and stock he plans to use to buy CBS. The FCC will need to rule on a CBS petition filed in June, 1985, that alleges such a buyout would reduce news programing and lessen competition for national advertising.

CBS' original business, radio and tv, contributed $2.72 billion to total revenues in 1984, advancing 14% from 1983. Magazine publishing brought in an estimated $309.6 million, up 5%.

Media operations added $438.6 million to the profits column in 1984. Broadcasting was the big hero with an increase of 40% over 1983. Publishing, which includes nonmedia books and advertising-supported magazines, boosted its profit level 7%.

The basic ingredient in CBS' advertising success is the long-term popularity and stability of CBS-TV Network. While NBC and ABC grapple for the honor of being No. 2 in A.C. Nielsen Co. homes during the most valuable time periods in America, the kingpin seat remains firmly occupied by the folks at Black Rock, the CBS nickname for CBS' New York headquarters.

CBS-TV has been the prime-time leader in household ratings for six consecutive seasons. CBS-TV rather quietly wound up 1984 by outpointing ABC-TV in the net income column, even though the latter led in sales, according to *Electronic Media*.

The CBS-TV Network had pretax profits in 1984 of about $310 million compared with $252 million for ABC-

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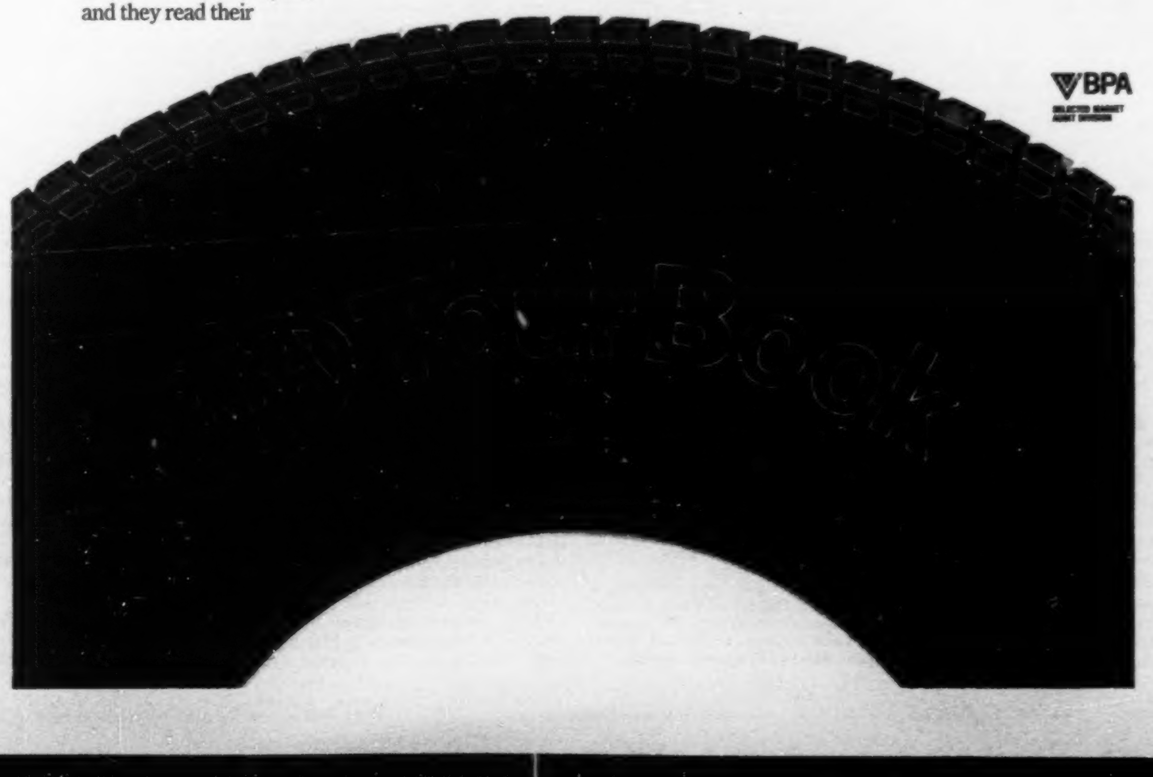


TV. CBS scored this coup, despite the boost ABC picked up from the Summer Olympics in Los Angeles.

The broadcast division's 40% profit gain compares with a 17% increase for ABC and 39% for NBC. Tv and radio at CBS contributed $408.6 million in 1984. Nonetheless the division, headed by president Gene Jankowski, was not without its troubles. As the jewel of this corporate empire, the broadcast group could not feel too comfortable with the takeover artists circling the premises.

Further, the broadcast group has been beset with legal headaches. The most worrisome lawsuit, brought by former Gen. William Westmoreland against CBS News, was settled out of court, but only after months of court testimony by numerous witnesses. This cost CBS at least $10 million. Still to be resolved are about 12 other libel suits against CBS News. Another Army officer from the Vietnam War and five Protestant ministers, who believe they were wronged by "60 Minutes," are awaiting their day in court. Also, a woman executive has filed a sexual harassment complaint against a former CBS vp.

Then, there is the "CBS Morning News" dilemma. The network that for most of the last 30 years has dominated nighttime tv still can't find a formula for an early morning hit. Consequently, ABC and NBC are getting the big ad dollars in this time period.

At the station level there always is room for improvement. Only one of five owned stations, WBBM-TV, Chicago, was first in total audience delivery for the late local news in the Nielsen February sweeps. WCBS-TV, New York, and WCAU-TV, Philadelphia, were second, while KNOX-TV, St. Louis, and KSBC-TV, Los Angeles, were third.

The CBS Radio Network fared well in the Radio All Dimension Audience Research measurements for the fall of 1984, ranking first with persons 18 and older for the total week count. Of the 13 owned am and fm radio stations, the best Arbitron report cards for fall, 1984, came from WHTT-FM (former WEEI-FM), Boston; WCAU-TV, Philadelphia, and KMOX, St. Louis. They were first in the time period selected for media comparisons in this special section.

In second place were WCBS, New York; WBBM-FM, Chicago; KCBS, San Francisco, and KNX, Los Angeles. In the worst spots for this group owner were KRQR (fm), San Francisco, in 13th place and WCBS-FM, New York, 10th. In May, 1985, the company bought five more radio outlets from Taft Broadcasting Co. for $107.5 million. Including the Taft stations, CBS has seven am and 11 fm radio stations.

Like many other communications corporations, CBS has yet to find a way to capitalize on new video technologies. The company persuaded the FCC to give it a waiver to buy a small cable company, CBS/Blackhawk Communications, near Dallas-Fort Worth. This was to be an "experimental" venture and the experience has not been encouraging. The systems probably are for sale unless top management decides they want to keep a foot in the door of cable operation.

Last fall, CBS became a partner in cable's SportsChannel and in Rainbow Service's Bravo and American Movie Classics. This $57 million investment is not expected to pay off anytime soon. Bravo, in particular, was a surprising buy for a company that suffered a $30 million-plus loss trying to market culture to cable a few years ago.

Also, the Trintex videotex joint venture with Sears, Roebuck & Co. and International Business Machines are not likely to be profitable right away.

Mr. Jankowski reorganized his group slightly in 1984 to gear up to produce more software for distribution in the U.S. and abroad. He says he wants to grab a bigger share of the videocassette market and to expand program sales to tv and cable abroad.

The CBS Theatrical Films unit (not to be confused with CBS/Fox, the home video venture, or Tri-Star Pictures, a movie partnership) was rechristened CBS Productions. Lumped in with the film unit was CBS Worldwide Enterprises, an operation that has been showing aggressiveness and ingenuity in distributing CBS shows abroad. Barter has been introduced to the People's Republic of China, with U.S. advertisers aboard.

Unless displaced by entrepreneur Ted Turner, Sen. Jesse Helms' band of conservatives (Fairness in Media) or someone else, Thomas H. Wyman, CBS chairman, is certain to expand CBS' tv station list now that the individual company ownership limit has been raised from seven to 12 stations.

In the past, however, his acquisition energies have been directed toward print and radio. Last November, CBS bought 12 magazines from Ziff-Davis Publishing Co. for $362.5 million, in one of the largest print deals ever. Because the purchase was not finalized until February, these magazines do not figure in media compilations for 1984. The Ziff-Davis acquisitions were not without controversy. About three months after the deal closed, CBS filed suit against Ziff-Davis alleging the company overstated the earnings of the 12 magazines it sold.

Of the new titles added from Ziff-Davis, Mr. Wyman contends *Modern Bride, Popular Photography* and other less well-known titles are natural mates for CBS' *Woman's Day* and the magazines on its leisure list.

CBS's *Cuisine* gave up the ghost, and its subscription list was sold to Conde Nast. In 1984, *World Tennis* and *Family Weekly* were sold. Even so, after the acquisition from Ziff-Davis, CBS Magazines division claims to be the largest publisher of special interest consumer titles in the U.S. The crown jewel, *Woman's Day*, touts a readership of 25 million. Specials have been added to the year's regular publishing schedule. This magazine was down 4.8% in ad pages but charged enough to climb 4.5% to $110 million in ad sales.

Field & Stream, CBS' first magazine, dropped a shade in pages, yet forged ahead 12.2% in media revenues to $34.3 million. Among the Ziff-Davis titles showing gains are: *Car & Driver*, up 18.8% to $27.4 million, and *Modern Bride*, up 8.3% to $18.3 million.

The third publishing unit is software, an operation set up to provide information for home computers. In addition, the unit will use material from the magazines and books to turn out products for the home video and videotex market. These are nonmedia items.

The CBS annual report credited CBS/Publishing Group with a sales increase of 5% to bring it to $619.2 million and income of $59 million, for a gain of 7%. This includes revenues from the educational and professional publishing division—that is books—as well as from the magazine division. For purposes of this analysis, ADVERTISING AGE credits the magazines with half the revenues and profits of the publishing division.

In the chart at the start of this profile, books are included with "other," along with CBS Records, which had a sizzling year, and toys and theatrical films, which produced red ink.

MEDIA PROPERTIES

Broadcasting

TV: CBS Television Network, network owned stations—KCBS, Los Angeles; WBBM, Chicago; KMOX, St. Louis; WCBS, New York; WCAU, Philadelphia.

RADIO: CBS Radio Network, RADIORADIO, network-owned stations—KNX (am), KKHR (fm), Los Angeles; KCBS (am) and KRQR (fm), San Francisco; WBBM (am, fm), Chicago; WHTT (fm), Boston; KMOX (am, fm), St. Louis; WCBS (am, fm), New York and WCAU (am, fm), Philadelphia. Pending FCC approval are stations CBS is buying from Taft Broadcasting Co.: KTXQ-FM, Dallas/Ft. Worth; KLTR-FM, Houston; WSUN and WYNF-FM, Tampa/St. Petersburg; WLTT-FM, Washington.

Cable/video

CBS/Black Hawk Cable Communications, a cable system in Dallas/Fort Worth; Extravision, national teletext service; cable program projects with Washington Post Co. and Cablevision's Rainbow Program Enterprises.

Magazines

American Photographer, Audio, Backpacker, Boating, Car & Driver, Cycle, Cycle World, Field & Stream, Flying, Home Mechanix, Modern Bride, Popular Photography, Road & Track, Skiing, Skiing Trade News, Stereo Review, The Runner, TV Crosswords, Woman's Day, Yachting.

OTHER OPERATIONS

CBS/Columbia House division, records, tapes, some video and home computer software; Holt Rhinehart Winston and Winston Press; music publishing; CBS/Fox Co., a partnership with 20th Century-Fox in home video; CBS Toys; Tri-Star Pictures; Trans-Medica; W. B. Saunders; CBS Software; CBS Technology Center; CBS/Sony; CBS Productions; CBS Music Video Enterprises; Dryden Press.

RANK

Central Newspapers

30

Indianapolis, Ind.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	380	346	9.8
Total sales	380	346	9.8
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	379	345	9.8
Magazine	0	0	0
Broadcast	0	0	0
Cable	1	0.9	11.1

Central Newspapers, Indianapolis, the 30th largest media company in 1984 with media revenues of $380 million, is changing shape with cutbacks in some areas and expansions in others.

Central owns newspapers in Indiana and Arizona and last September entered the rapidly expanding public-access videotex arena by launching Teleguide Metro Phoenix two weeks after folding its three-channel cable operations there.

The fast-growing Phoenix market continues to be where most of Central's changes are occurring. The R/G Cable subsidiary changed its name May 1, 1984, to Telegroup to more closely identify with the Teleguides it operates and to distance itself from the failed cable ventures. The discontinued channels were R/G Vision News, R/G Vision Classified and the Home Channel classified real estate listings.

Teleguide now has more than 80 advertisers, called information providers, on 82 terminals (100 projected by July 1 and between 150 and 200 by the end of 1985) in 19 high-traffic locations, such as shopping malls, hotels, Arizona State University and, as of July 1, Sky Harbor Airport. Users have free access to directories that list restaurant, hotel and shopping events information via multicolored computer-generated graphics.

Telegroup general manager Joe Cole says the operation is "still losing money, but it looks better" than projections, because "revenues are not where we thought they'd be, but expenses are lower than expected." Mr. Cole says he's looking for Telegroup to be profitable in early 1987.

Telegroup is affiliated with Videotex America, a joint venture of Times Mirror Videotex Services and Infomart, and as such is in the front of the line when expanded videotex service enters Arizona. "It's just a matter of when," Mr. Cole says. Telegroup is not participating in the Times Mirror services, but is able to share in the information gained from the experiment.

Central's morning *Arizona Republic* and evening *Phoenix Gazette*, operated by Phoenix Newspapers Inc., have a lock on the Phoenix market. Both share printing facilities and equipment and have one sales staff, which sells space in the newspapers either separately or in combination. The editorial staffs are separate and competitive, even though they reside in the same building. Publisher Darrow (Duke) Tully oversees both papers.

The Sunday *Republic* recently broke through into the top 25 newspapers in circulation nationwide, hitting 499,917, reflecting an annual increase of close to 7%, according to March 31, 1985, ABC figures. The *Republic* daily circulation for the same period was 325,677, up about 5% over the year earlier. The *Gazette* daily circulation was 125,021, up 3.3%.

Also owned by Phoenix Newspapers Inc. are two weeklies. One is the *Arizona Business Gazette*, a business and legal weekly with paid circulation of less than 5,000 out of a total circulation of about 8,000. The 104-year-old publication has changed management, editorial and sales staffs, content and format in the past two years. Display advertising linage increased 60.3% in 1984 over 1983. As of May 1, 1985, linage was up 14.8% over the similar period in 1984.

The other Phoenix Newspapers weekly is *City Life*, an arts and entertainment free paper that is available at street stands, quantity of 45,000, and inserted into nearly 84,000 *Republics* and *Gazettes* on Wednesdays. *City Life* was launched in 1983. A strong rivalry exists between *City Life* and the popular local weekly *New Times*, an artsy, liberal, investigative giveaway with a circulation of 113,000.

City Life is seen in the market as Mr. Tully's red-ink indulgence, a way of countering the frequent jabs at his personal life made by *New Times*.

Phoenix Newspapers spokesman William R. Shover, however, says *City Life* is now in the black, "although it's a week-to-week thing."

He says *City Life* is an adjunct to the *Republic* and *Gazette* because there was not enough space in those papers for all the listings of restaurants, movies, theaters and other events. "We were lacking coverage in that area," he says. "You don't go out and do things out of spite; it just doesn't work."

Several new ventures are on tap for the *Republic* and *Gazette* in the next year. The newspapers will install computerized pagination in August. A newsprint storage warehouse is being built.

Phoenix Newspapers also is working with Gruen & Associates in Los Angeles to develop a six-block "superblock" on property it owns near its downtown Phoenix headquarters.

This year's biggest project is a joint venture with four other newspaper groups: Chronicle Publishing in San Francisco, Copley Newspapers in San Diego, McClatchy Newspapers (*Sacramento Bee*) and Kearns-Tribune Corp. (Salt Lake *Tribune*) on a newsprint mill in Washington state. Capacity is to be 155,000 metric tons of newsprint a year, and of that the *Republic* and *Gazette* expect to use 20,000 metric tons.

Closer to home, Mr. Tully mandated restrictions throughout Phoenix Newspapers effective May 6 because of a failure to reach revenue projections as costs increased. No salary or staff cutbacks are scheduled, but freezes and cuts pervade nearly every other area.

A planned printing plant expansion in suburban Mesa has been "temporarily put aside," Mr. Shover says.

Circulation remained stagnant at the Indiana half of Central Newspapers. Only the Sunday editions of the Indianapolis and Muncie papers showed circulation gains, the *Indianapolis Sunday Star* increasing 1.4% and the *Muncie Sunday Star*, up 2.3%. Both the evening and Sunday Vincennes *Sun-Commercial* showed small circulation gains. Cutbacks are not in effect in Indiana, according to Central Newspapers president Frank A. Russell.

Earlier this year, Central entered into negotiations to buy Spark Newspapers in Hayward, Cal., but ended up "walking away," Mr. Shover says. "It was not a good business deal," he says. No further acquisition talks reportedly are scheduled with anyone.

Central is privately owned and very closely held. Founder Eugene C. Pulliam died in 1975, and the company is run by his son, Eugene S. Pulliam, 70, along with Mr. Russell, 64, and *Indianapolis Star & News* general manager William A. Dyer Jr., 82. Each operates out of Indianapolis.

Mr. Russell says he spends a week to 10 days a month at the Phoenix facility, but he keeps a low profile. When one veteran staffer was asked about Mr. Russell, his response was, "Frank who?" Even the Phoenix Newspapers tour guide had never heard of Central Newspapers, insisting the papers were owned solely by Phoenix Newspapers Inc.

When the senior Mr. Pulliam died there was a provision for an irrevocable trust for the papers not to be sold. Asked if the provision was for as long as 50 years, Mr. Russell said, "That's not necessarily correct. Well into the future, though."

MEDIA PROPERTIES

Cable/video

Telegroup (formerly R/G Cable), introducing TeleGuide Metro Phoenix.

Newspapers

ARIZONA: *Arizona Republic, Phoenix Gazette.* INDIANA: *Indianapolis Star, Indianapolis News, Muncie Press, Muncie Star, Vincennes Sun-Commercial.*

RANK

Chris-Craft Industries

73

New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	147	122	20.2
Total sales	166	141	18.4
Net income	-12	4	-407.5
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	147	122	20.2
Cable	0	0	0

Chris-Craft Industries, New York, the 73rd largest media company with media revenues increasing 20.2% from 1983 to $146.7 million in 1984, is finding that the recent softening in demand for tv ad time will make it difficult to record similar growth in fiscal 1985.

The company, which has six tv stations, four of which it controls through its BHC Inc. subsidiary's 50.3% ownership in United Television of Minneapolis, has experienced an 8.7% increase in operating revenues to $86.2 million in 1984. But by Feb. 28, 1985, the end of the first six months in Chris-Craft's fiscal year, the company had a net income loss of $7.4 million.

The heavy loss in net income—$11.2 million—came in the second quarter and was attributed to Chris-Craft's *pro rata* portion of the $225 million loss reported by Warner Communications for Warner's fourth quarter ended Dec. 31, 1984. Chris-Craft owns 29% of Warner.

The slack in tv ad sales, plaguing much of the country, is spotty at Chris-Craft, evidenced by the best back-to-back quarterly performances (first and second quarters) by KCOP-TV, Los Angeles, compared with a poor showing by KPTV-TV in Portland, which is feeling the effects of an over-all poor economic environment in Portland and a new uhf station in the market. Both stations are wholly owned by Chris-Craft.

During 1984, Chris-Craft, whose media properties made up 88.2% of total revenues of $166.4 million, had returns that were above industry average for its tv properties. But it suffered an over-all loss of $12.3 million in net income traced largely to heavy losses incurred by Warner, of which Chris-Craft is the largest shareholder.

Chris-Craft and Warner exchanged stock in 1984 in a move designed to upset a takeover attempt of Warner by Rupert Murdoch's News America Corp. In the exchange, Chris-Craft got 19% of the voting stock and later upped the ante to 29%, and Warner gained a 42.5% interest in BHC. Chris-Craft consolidates all revenues of BHC in its financial statement.

More recently, Chris-Craft and Warner have been trying to work out a deal to sell their stock back to each other. There also have been rumors that Warner may be making a takeover bid for Chris-Craft. Concerning the latter, Chris-Craft vp-general counsel Barry Greene says he is not worried about fighting off a takeover attempt, mainly because management owns a substantial portion of the corporation's stock and because a classified board provision allows for the selection of only one-third of the corporate board each year. Other than that, "we're not building fences around ourselves," he says.

During prime access from 7:30 p.m. to 8 p.m., A.C. Nielsen Co. rated KCOP-TV in a tie with KTTV in the November rating period, while Arbitron Ratings Co. reported KCOP-TV second behind KTTV-TV.

The highly competitive Los Angeles market has prompted KCOP-TV to place a greater emphasis on news to provide a strong lead-in for the station's high-rated prime time movies. Within the past two years, KCOP-TV tripled the size of its news department in its effort to compete head-on against news market leader KTLA-TV. A new set and new personnel have been added, but Chris-Craft doesn't expect immediate results. Don Searle Jr., research director for KCOP-TV and Chris-Craft Television, says, "Ratings take time to build in this area. KTLA-TV may be No. 1 in news now, but it took them years to get there."

Recently, KPTV-TV in Portland became a Cable News Network affiliate.

The four United Television (UTV) stations echoed Chris-Craft's commitment toward news upgrading. According to Mr. Thompson, news is especially important among the two UTV affiliates, KMOL-TV, an NBC affiliate in San Antonio, and KTVX-TV, an ABC affiliate in Salt Lake City. "News programing in these markets occurs during the most important local time period on the stations. It is the anchor of their local programing efforts and affects network programing with its carry-over effect," Mr. Thompson says. Chris-Craft spent $5.8 million last year to improve its stations' news-gathering efforts.

The UTV stations recorded an 8% increase in operating income last year, and a 48% increase in operating revenues, percentages that include only about six months of returns in the prior year from UTV's acquisition of KBHK-TV, San Francisco, in July, 1983. UTV's properties apart from KBHK-TV gained 17% in revenues and 12% in operating income in 1984.

Construction has begun on a new uhf independent station in the Phoenix market, which now has three vhf affiliates, one vhf independent and a uhf independent. Assigned the call letters KUTP-TV, the station plans to be on the air by January.

Plans have been proposed to create a single entity by combining the two BHC stations with the UTV's properties. The Warner reswap affects such a move. Chris-Craft has announced a proposal to exchange 11.3% of its Warner stock to give it an 81.1% share of UTV. However, in early May, 1985, it delayed action for 90 days.

The greater stake in UTV "would greatly enhance the size, muscle and appeal of the combined entity," Mr. Greene says, adding that the possibility of future acquisitions also would be increased, presumably aided by greater cash flow. The stations serve a combined total of 9.4 million homes, or 11% of the nation's households.

Chris-Craft independent stations were among the founding fathers of the so-called Independent Prime Time programing effort to provide first-run programs.

Chris-Craft also owns a collection of small manufacturers of plastic flexible films and foams, latex foams and nonwoven fiber products.

MEDIA PROPERTIES

Broadcasting

TV: KBHK*, San Francisco; KCOP, Los Angeles; KMOL*, San Antonio; KMSP*, Minneapolis/St. Paul; KPTV, Portland; KTVX*, Salt Lake City; KUTP*, Phoenix (pending—under construction).

*United Television Inc. owned.

Some privately held companies do not divulge sales or income figures. Where estimates could not be obtained, N/As appear in charts and the boxed information preceding the profiles to indicate "not available."

RANK 50

Chronicle Publishing Co.

San Francisco

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	231	N/A	N/A
Total sales	251	N/A	N/A
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	171	N/A	N/A
Magazine	0	0	0
Broadcast	30	N/A	N/A
Cable	31	N/A	0

Chronicle Publishing Co., San Francisco, is the nation's 50th largest media company, reporting 1984 media revenues of $231 million.

Media at Chronicle Publishing includes the *San Francisco Chronicle*, four tv stations and a cable operation. Real estate and a book publishing group contribute an additional $20 million in revenues to bring total corporate revenues to $251 million.

No year-to-year comparisons are available for Chronicle Publishing, whose estimates last year were overstated when 66% of the combined *Examiner & Chronicle* Sunday paper was attributed to Chronicle; it splits proceeds from that product 50-50 with Hearst Corp.'s *Examiner*. The daily Chronicle, half of the Sunday paper and the Bloomington, Ill., paper produced revenues of an estimated $170 million in 1984. Tv properties added an additional $30 million, and cable, through Western Communications, contributed $31 million.

The company is wholly owned by the family trust of the M.H. de Young estate and has published San Francisco's leading newspaper since 1895. Publisher Richard Tobin Thieriot is a great-grandson of founder Michel H. de Young, as is Francis A. Martin III, president of Chronicle Broadcasting Co.

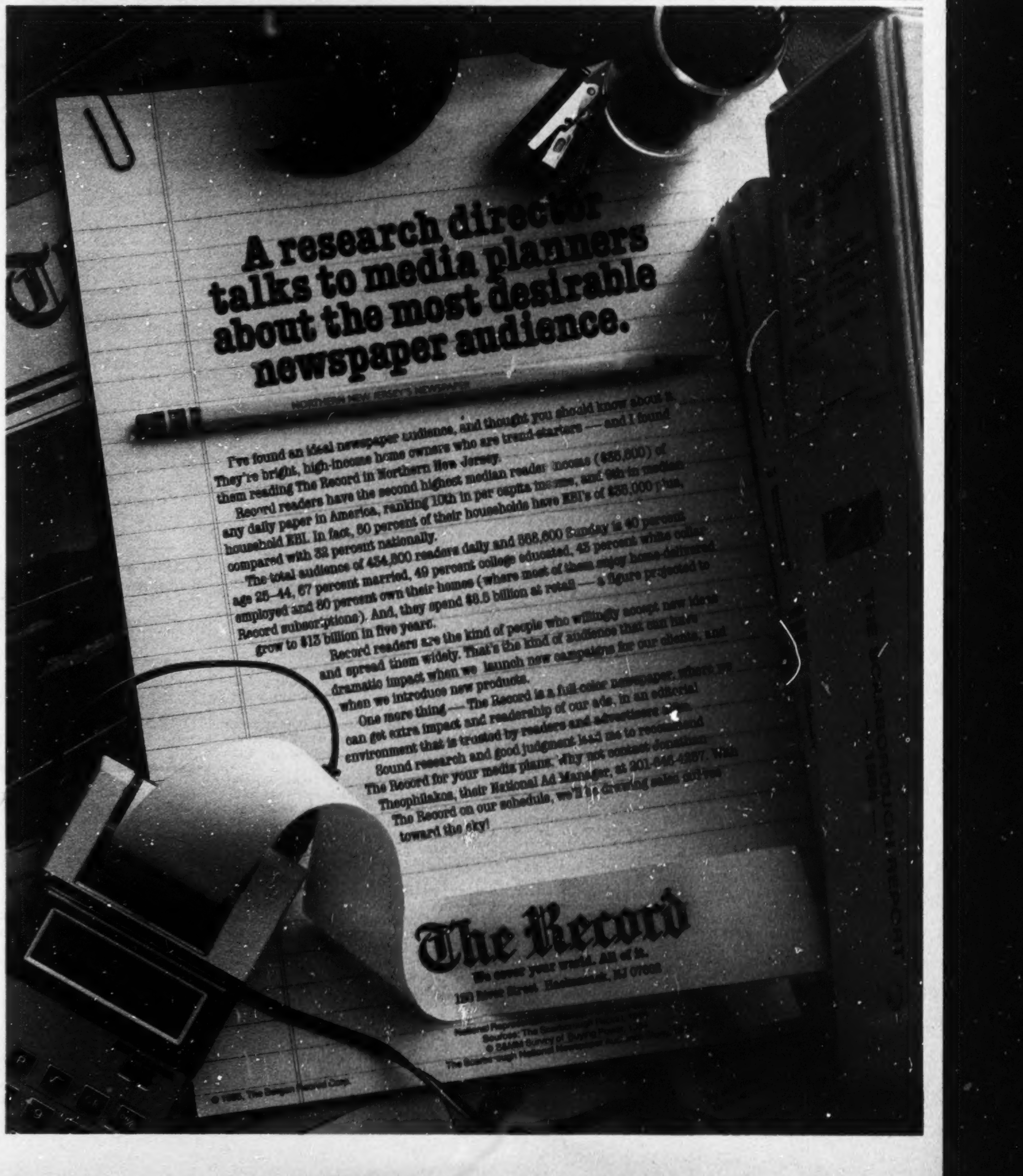
Daily circulation according to the March 31, 1985, ABC statement was 554,979, up 2.9% from the corresponding period a year earlier. The combined Sunday *Examiner & Chronicle* was 717,426, up 1.6%.

On April 15, 1985, the *Chronicle* began beefing up its business coverage on Mondays with an expanded "BusinessExtra," section, edited by new business editor Peter Sinton, who came from *Business Week* in mid-1984. Alan Mutter, city editor, joined the paper from the *Chicago Sun-Times*.

"Things are growing, but not spectacularly," says Phelps Dewey, assistant publisher, noting the bulk of circulation growth is outside the city, extending from Oregon to Bakersfield. Mr. Dewey agrees that "over a wide area, penetration is not all that great," but says the *Chronicle's* efforts are as good as those of the *Los Angeles Times* in its market. Among the more critical observers of the paper, University of California at Berkeley journalism professor Ben Bagdikian says the *Chronicle* has a lower penetration rate than most papers its size.

The penetration dilemma does not exist at the *Bloomington* (Ill.) *Pantagraph*, the company's other daily. Penetration in that market is 87%, Mr. Dewey says, adding, "That's what you get in a small, independent, concentrated market." The March 31, 1985, ABC figures show morning circulation to be 52,941, a slight gain over the prior year. Sunday circulation is 56,104, again a slight gain over 1984.

Chronicle Broadcasting Co. owns KRON-TV, an ABC affiliate that garnered a Peabody Award as well as 22 of the local Emmys this year, "a record for a single station in the market," Mr. Martin says. The station is second in news ratings only to the CBS affiliate, KPIX-TV. "We've significantly increased our market share in terms of ad dollars, both percentage growth of ad revenues . . . and the share of ad



A research director talks to media planners about the most desirable newspaper audience.

NORTHERN NEW JERSEY'S NEWSPAPER

I've found an ideal newspaper audience, and thought you should know about it. They're bright, high-income home owners who are trend-starters — and I found them reading The Record in Northern New Jersey.

Record readers have the second highest median reader income ($35,800) of any daily paper in America, ranking 10th in per capita income, and 9th in median household EBI. In fact, 50 percent of their households have EBI's of $35,000 plus, compared with 32 percent nationally.

The total audience of 454,800 readers daily and 558,600 Sunday is 40 percent age 25–44, 67 percent married, 49 percent college educated, 45 percent white collar employed and 80 percent own their homes (where most of them enjoy home-delivered Record subscriptions). And, they spend $8.5 billion at retail — a figure projected to grow to $13 billion in five years.

Record readers are the kind of people who willingly accept new ideas and spread them widely. That's the kind of audience that can have dramatic impact when we launch new campaigns for our clients, and when we introduce new products.

One more thing — The Record is a full-color newspaper, where we can get extra impact and readership of our ads, in an editorial environment that is trusted by readers and advertisers alike.

Sound research and good judgment lead me to recommend The Record for your media plans. Why not contact Jonathan Theophilakos, their National Ad Manager, at 201-646-4267. With The Record on our schedule, we'll be drawing sales curves toward the sky!

The Record

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dollars in the market," Mr. Martin says.

The company also owns CBS affiliate WOWT-TV in Omaha, Neb., and ABC affiliate KAKE-TV in Wichita, Kan. Both "remain dominant in these markets in news and all facets of programing," Mr. Martin says.

Western Communications, the company's cable tv subsidiary, now boasts 150,000 subscribers (up slightly from last year) for its five cable systems. Four have been rebuilt to carry 53 channels; the fifth sends 27 channels. "We're in the process of closing on another 15,000 subscribers in California at the end of June," says Western Communications president Ed Allen.

Programing varies widely from market to market. Western has experimented with pay-per-view and has begun running commercial spots on its Monterey system, a move that probably will be extended to other systems, Mr. Allen says.

Bay Area Teleguide, a public access videotex system, is the first product of Chronicle Videotex, created in 1983 by Chronicle Information Services, a division of Chronicle Publishing Co. Bay Area Teleguide reached 286 terminals —mostly in heavily trafficked San Francisco locations—in June, 1985. Two branch offices in Palo Alto and Oakland are opening this year.

As of December, Phoenix, Sacramento and Toronto have been added to the network. The 10,000-page database, offering information in such categories as entertainment, shopping, dining, hotels, sports and public agencies, is scanned by some 300,000 people a month.

MEDIA PROPERTIES

Broadcasting

TV: KAKE, Wichita, Kan.; KRON, San Francisco; KUPK, a satellite of KAKE in Garden City, Kan., and WOWT, Omaha, Neb.

Cable/video

Western Communications serving subscribers in: CALIFORNIA: Butte County, Carmel-by-the-Sea, Carmel Valley, Chico, Clayton, Concord, Contra Costa County, Corning, Del Monte Forest, Del Ray Oaks, Glenn County, Marina, Monterey County, Orland, Pacific Grove, Palm Springs, Salinas, San Mateo County, Seaside, South San Francisco, Willows. NEW MEXICO: Dona Ana County, Los Cruces, Mesilla.

Newspapers (dailies)

CALIFORNIA: *San Francisco Chronicle, San Francisco Sunday Examiner & Chronicle* (owned jointly with the Hearst Corp.). ILLINOIS: *Bloomington Daily Pantagraph.*

OTHER OPERATIONS

Chronicle Videotex, Chronicle Productions, Chronicle Features & Chronicle Books.

RANK

Continental Cablevision 51

Boston

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	226	156	44.9
Total sales	226	156	44.9
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	0	0	0
Cable	226	156	44.9

Continental Cablevision, Boston, is the country's 51st largest media company with revenues of $226 million in 1984, up 44.9% from 1983.

Continental continued its steady growth last year, extending its subscriber count to 965,000, up 12.3% from 1983. It had 1,100,000 pay units the end of 1984, up 30.3%, or a pay tv sell-in rate of 1.14 pay services per basic subscriber. In the process, Continental boosted its asset base 18.8% to $570 million in 1984.

Continental made one of its bigger moves in winning the St. Paul, Minn., franchise after a two-year battle. It had to make more concessions than usual —community channels, minority training, production studios, and discount subs—in this area of high social awareness.

The system, launched the end of April, 1985, seeks 15,000 subscribers by year end. There is a 135,000 home-potential in the franchise. It already has a sell-in of 1.7 pay units per basic subscriber.

Continental expects to expand within its present geographic boundaries through "highly selective acquisitions" in 1985, says a company spokesman. Continental is private, although Dow Jones & Co. owns 24.7%.

MEDIA PROPERTIES

Cable/video

Systems in 13 states. CALIFORNIA: Big Valley Cablevision Inc. (94% interest), serving Manteca/Lathrop and Stockton/San Joaquin County. ILLINOIS/IOWA: Continental Cablevision of Illinois Inc., serving Freeport/Cedarville/Stephenson County; Keokuk/Carthage/Hamilton/Warsaw, Kewanee; Lincoln/Logan County; Morton, Ill.; Pekin/Groveland/Marquette Heights/N. Pekin/S. Pekin/Tazewell County/Tremont, and Quincy, Ill. CHICAGO REGION: Continental Cablevision of Cook County Inc., Calumet City/Calumet Park/Dolton/Riverdale; Elmhurst/Berkeley/Oakbrook Terrace/Bensenville; Forest Park; Franklin Park/River Grove/Rosemont/Schiller Park; Lombard; unincorporated DuPage County; Westchester/Hillside; Westmont/unincorporated Westmont. Continental Cablevision of Morton Grove Inc., Morton Grove. MAINE/MASSACHUSETTS/NEW HAMPSHIRE: Continental Cablevision of New Hampshire Inc., Concord/Allenstown/Boscawen/Bow/Pembroke; Dover/Rollinsford/Somersworth/Berwick/S. Berwick; Lawrence/Methuen/North Andover, all Mass.; Pease Air Force Base; Portsmouth/Eliot/Kittery, Maine/New Castle/Rye; Saco/Old Orchard Beach, both Maine; Salem/Derry. MASSACHUSETTS REGION: Continental Cablevision of Brockton Inc., Brockton. Continental Cablevision of CONNECTICUT Inc., Enfield et al, Continental Cablevision of Massachusetts Inc., Beverly, Newton, Reading, Saugus, Watertown. Continental Cablevision of Needham Inc. (99.6% interest), Needham. Continental Cablevision of Northhampton Inc., Deerfield/Bernardston/Northfield/Sunderland; Northampton/Hatfield/Williamsburg. Continental Cablevision of Southern Massachusetts Inc., Avon; Easton; Hanson; Holbrook; Raynham; Stoughton; Whitman. Continental Cablevision of Springfield Inc. (70% interest), Springfield. Continental Cablevision of Winchester Inc. (96% interest), Winchester. Rockingham County Cablevision Inc. (80% interest), Hampstead; Plaistow. MICHIGAN: Continental Cablevision of Michigan Inc., Holland; Jackson/Blackman Township; Lansing/Dewitt/Grand Ledge/Delhi; Delta, Dewitt, Lansing and Oneida Townships; Roseville. DETROIT REGION: Continental Cablevision of Oakland County Inc. Dearborn Heights; Hazel Park; Madison Heights; Oak Park; Southfield/Lathrup Village. ST. LOUIS REGION: Continental Cablevision of St. Louis County Inc., Belleville/Fairview Heights/O'Fallon/St. Clair County/Swansea; Jennings/Bellefontaine Neighbors/Country Club Hills/Flordell Hills/Moline Acres/Northwoods/Pine Lawn/Riverview/Wherry Housing Base; University City/Breckenridge Hills; Brentwood/Clayton/Edmundson/Maplewood/Overland/St. Ann. Continental County Cablevision Inc. St. Louis County-area B. ST. PAUL REGION: West St. Paul, South St. Paul, Invergrove Heights, Mendota, Mendota Heights, Sunfish Lake, Lillydale. OHIO: Continental Cablevision of Hamilton County Inc., Cheviot; Continental Cablevision of Ohio Inc., Englewood/Madison Township/Randolph Township/Trotwood/Union/Vandalia; Beavercreek Township/Bellbrook/Centerville/Kettering/Miamisburg/Miami Township/Moraine/Oakwood/Springboro/Sugarcreek/Washington Township/Waynesville/West Carrollton; Athens/The Plains; Bellevue/Clyde/Green Springs; Fairborn/Donnelsville/Enon/New Carlisle/Bath, Bethel and Mad River townships; Findlay/Arlington/McComb/Mt. Cory/Rawson/Van Buren; Fostoria/Tiffin/Arcadia; Galion/Crestline; Huber Heights/Harrison Township; Norwalk/Milan/Monroeville; Springfield/Harmony, Moorefield, Pleasant & Springfield Townships/South Vienna Village; Upper Sandusky/Nevada; Willard/Greenwich Village/New Haven/North Fairfield/Plymouth/Shiloh; Xenia/Cedarville/Jamestown/New Jasper/Silver Creek/Spring Valley/Wilberforce/Cedarville, Spring Valley and Xenia Townships. CLEVELAND REGION: Continental Cablevision of Northeast Ohio Inc., Bay Village/Avon Lake; Eastlake/Fairport Harbor/Grand River/-Lakeline/Mentor/Painesville/Timberlake/Wickliffe/Willoughby/Willoughby Hills; Elyria/Carlisle and Elyria townships. VIRGINIA: Continental Cablevision of Virginia Inc., Ashland; Goochland County; Hanover County; Henrico County. VIRGINIA REGION: Continental Cablevision of James City County Inc., James City County. Continental Cablevision of Richmond Inc. (80% interest), Richmond. Continental Cablevision of York County Inc., York County.

Other cable

FLORIDA: Area Communications Inc., serving Greater Jacksonville. Commonwealth Cablevision Corp., Agawam/-Granby/Holyoke/South Hadley/Southwick/Westfield/West Springfield, all Mass. Cablevision Service Co. Inc. (33.3% interest), Bristol: Alexandria/Bridgewater/Bristol/New Hampton; Hillsboro: Antrim/Derring/Hillsboro/Henniker; Seacoast: Durham/Epping/Exeter/Hampton Falls/Newfields/Newmarket/North Hampton/Raymond/Seabrook/Stratham, all N.H. NEW YORK: Vision Cable of Staten Island Inc. (50% interest), Borough of Staten Island.

RANK

Copley Newspapers 37

La Jolla, Cal.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	304	237	28.4
Total sales	309	241	28.1
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	304	237	28.4
Magazine	0	0	0
Broadcast	0	0	0
Cable	0	0	0

Copley Newspapers, which owns media properties nationwide, confined most of its activities in 1984 to its home base as the company generated media revenues of $303.9 million, ranking it the 37th largest media company.

La Jolla, Cal.-based Copley broadened news coverage at its flagship newspaper, the *San Diego Union*, in increasing company-wide media revenues by 28.4% over 1983. Media at Copley represents 98.5% of total revenues. A resort hotel and a computer service account for the remainder.

Copley's dramatic revenue increase is rooted in the recovery experienced in its six papers in Illinois and continued growth in its five California papers. Together, they have a combined daily circulation exceeding 750,000.

Copley's Illinois newspapers, which include the *State Journal-Register* in the capital city of Springfield and five other dailies that ring Chicago, rallied from a recession that hit the industry in Illinois in 1983 with "a double-digit rebound in ad linage," in 1984, says Robert F. Crouch, vp-finance for Copley.

The company's morning *Union* and *Evening Tribune* in San Diego are not standing still. In an effort to provide better service, the papers have added 50 employes and assigned them to suburban offices. The new staffers, using new computer equipment, will provide expanded coverage for readers in five zones: Central (metropolitan), north county, north coastal, south bay and east county. The communities targeted are Oceanside, Escondido, Del Mar, El Cajon, Coronado, National City and La Jolla.

This move has been studied by Copley for several years, and it is hoped the move will enable the *Union* and the *Evening Tribune* to stay ahead of growth in the San Diego area. The move will pit the *Evening Tribune* in particular against smaller widely read evening newspapers in the area: *The Californian* in El Cajon with circulation of 22,704, up 6.4%; *Times-Advocate* in Escondido with circulation of 35,862, up 7.5%, and *Blade-Tribune* in Oceanside with circulation of 30,832, up 8.3%. The Escondido and Oceanside papers both have strong Sunday circulations. Figures are based on ABC audits comparing March 31, 1985 six-month estimates with the comparable period in 1984.

Copley's *Evening Tribune* in the same March 31 reporting period had circulation of 122,590, up 0.8%. The *Union* fared much better, growing 5% to 231,306.

Hubert Kaltenbach, Copley president, looks at the San Diego expansion as providing a needed service to current and potential readers. "There is no particular price tag on this project," he says, noting "we expect to gain circulation because of the zoned editions. In some cases, advertising rates will be reduced because of the zones. But we will be providing better service, and in the long run it will make our newspapers better."

Copley has yet to realize revenues from its cable tv partnership with Colony Communications, owned by Providence Journal Co., Providence, R.I. Construction delays have caused revenues to lag behind original projections. Although the subscriber lists are beginning to grow in the Southern California areas where the Copley-Colony team has been awarded franchises, Mr. Kaltenbach says, "It could be two or three years before we see any substantial revenues." There are 9,900 subscribers in the system.

Late in 1984, Copley announced it had entered into negotiations with Chronicle Publishing and Hearst Corp. in San Francisco, McClatchy Newspapers in Sacramento, Kearns-Tribune Co. in Salt Lake City and the Phoenix Newspapers Inc. to form Ponderay Corp. to produce newsprint in Washington state. Ponderay's plant is expected to be operational by 1987.

"This is a protection against shortages," Mr. Crouch says. "There is a greater need than ever [for newsprint]. This way, we won't be totally dependent on other sources."

MEDIA PROPERTIES

Cable/video

CALIFORNIA: San Pedro-Wilmington-Harbor City, Lomita and portions of unincorporated areas, franchises in Los Angeles County; Costa Mesa and Cypress, plus an unincorporated area in Orange County. All jointly owned with Colony Communications. CLEO, an electronic classified ad service.

Newspapers (dailies)

CALIFORNIA: *San Diego Evening Tribune, San Diego Union, San Pedro News-Pilot, Daily Breeze* (Torrance), *Santa Monica Evening Outlook.* ILLINOIS: *Aurora Beacon-News, Elgin Courier-News, Joliet Herald-News, Springfield State Journal Register, Waukegan News-Sun, Wheaton Daily Journal.*

Newpapers (nondailies)

CALIFORNIA: *Borrego Sun.* Also, 23 non-paid circulation weeklies and shoppers associated with dailies.

Other media

Copley News Service; Copley Press.

OTHER OPERATIONS

Casa del Zorro (resort hotel); Copley Computer Services.

RANK

Courier-Journal & Louisville Times Co. 85

Louisville, Ky.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	116	107	8.4
Total sales	192	166	15.7
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	98	92	6.5
Magazine	0	0	0
Broadcast	18	15	20
Cable	0	0	0

The Courier-Journal & Louisville Times Co. and WHAS Inc., a separate broadcast company also owned by the Barry Bingham family, ranked 85th among U.S. media companies in 1984 with media revenues of $116 million, an 8.4% increase over 1983.

Total revenues for the Louisville-based company were $192 million, which include revenues from Standard Gravure and Standard Colorprint, printing presses in Morristown, Tenn.; Data Courier, a database publishing enterprise; Courier Communications Corp., a computerized information service, and two retail computer stores called Computer Emporium.

The company also has acquired a 50% interest in an Indianapolis mailing company in order to position itself with a direct mail capability. The mailing operation handles supplements, advertising, direct mail and premiums. Wide regional expansion of this service is planned.

The ABC audit for the six months ended March 31, 1985, listed the morning *Courier-Journal* with a circulation of 175,266, down 1.1% from the similar period a year earlier, the evening *Louisville Times*, 133,661, down 1.6% and the Sunday *Courier-Journal*, 331,686, up 0.5%.

John L. Richards, senior vp, says the entire newspaper industry was experiencing circulation troubles. The company has hired two local ad agencies, Doe-Anderson and Gibson-McKnight, to tackle the circulation problem. One agency will work for the morning newspaper and the other for the evening paper.

"Each newspaper has a different image, and we'd like the public to distinguish between them," Mr. Richards says. "The morning paper is a newspaper of record, more serious and down to business. The evening paper is lighter, more amusing."

Ad rates and linage have increased for the basic newspaper and the five zoned editions.

In the fall of 1984, company-owned radio stations WAMZ (fm), with a country format, and WHAS (am), a contemporary adult format, were rated by Arbitron No. 1 and No. 2 for their respective audience share in the Louisville market. WHAS-TV, its CBS affiliate, achieved a leading 21 share of households in the 6:30 p.m. news slot, and 18 at the 11 p.m. news period. WHAS had an 18.5% increase in ad revenue. NBC affiliate, WAVE-TV, had an 18 share at 6:30 p.m. and at 11 p.m. WLKY-TV, the ABC affiliate, carried a 7 rating for both slots.

In the past decade, Louisville Productions, a division of WHAS Inc., has expanded its corporate communications services to include films and videotapes for sales training, orientation, new product introductions, promotion and pr. In the last year, video conferencing, a new communication tool for business, has blossomed.

Satellite communications also have grown to the point where Louisville Productions can connect with one city or coordinate a network of sites worldwide, demonstrated last year during the press conference called by Louisville-based Humana Inc. to report the results of an artificial heart implant.

The company's electronic publishing capabilities continue to expand. Its wholly owned subsidiary operates two new ad-supported public-access videotex systems. Metroguide, a Louisville visitors' information guide, started placing kiosks in hotels and other public places in late 1984.

Travelers' Highway Information System is putting terminals at interstate highway rest areas in Indiana and is seeking to develop similar systems in neighboring states. The systems feature advanced use of graphics and are built around IBM microcomputers placed in kiosks. Advertisers must pay to be carried on the tourist-type listings offered motorists. Motorists key-in at no cost.

CJ&T Channel, the newspapers' 24-hour cable tv news and classified advertising service, is modifying its text-only presentation to include photographic real estate and automotive classified. Unlike the current text segments, which are sold as add-on to a newspaper classified ad, the illustrated segments will be sold on a stand-alone basis. Surveys show that more than 20% of Louisville's and surrounding Jefferson County's 136,000 cable subscribers view the channel in a given week.

Data Courier specializes in database publishing. Its products include ABI/INFORM, one of the largest and oldest business databases, and an array of new computer and business-related databases, which can be accessed by computer over phone wires. Expansion plans for the company's retail computer stores have been put on hold awaiting a shakeout in the Louisville market. Competition in the business is keen and margins are thin.

The company is considering developing a database that could be accessed through individual personal computers. "Experience gained from downloading videotex pages to the IBM PCs in public-access kiosks could lead to a similar in-home product," Mr. Richards says.

One factor is chilling the company's expansion plans: A drive by one of the family members, Sallie Bingham, to sell her about 18% share in the family companies. She has retained New York broker Henry Ansbacher Associates to seek an outside buyer for the stock, which Ansbacher valued at $82 million to $92 million.

The stock offering has its origins in a rift that developed among family members in 1983 when Barry Bingham Jr., editor and publisher of the Louisville papers, asked his sisters, his mother and his wife to resign from the board of directors of the family companies to bring in outside directors with more business acumen. The others agreed to resign, but Sallie Bingham refused and was not re-elected to her board seat. She offered to sell her shares to the family for $42 million, but was turned down.

The possibility that the family eventually might have to make the investment to buy her out "is making us watch our nickels and dimes," Mr. Richards says.

Ms. Bingham counters, "The family should make its bid soon, or my asking price will go up. Based on recent sales that have been taking place, like the *Des Moines Register & Tribune*, it is boom time for the media."

MEDIA PROPERTIES
Broadcasting
TV: WHAS, Louisville, Ky.
RADIO: WHAS (am), WAMZ (fm), Louisville.
Newspapers
KENTUCKY: *Louisville Courier-Journal, Louisville Times.*
OTHER OPERATIONS
C-J&T Teletext; C-J&T Channel, cable news and advertising service; mailing company.

Cowles Media Co.
Minneapolis
RANK 49

($ figures - 000,000)

Corporate returns	1984	1983	% chg
Media sales	232	210	10.5
Total sales	232	210	10.5
Net income	16	29	-45.0
Sales per medium			
Newspaper	232	210	10.5
Magazine	0	0	0
Broadcast	0	0	0
Cable	0	0	0

Cowles Media Co., Minneapolis, is the nation's 49th largest media company, with operating revenues of $232 million for the fiscal year ended March 31, 1985, an increase of 11% from revenues for fiscal 1984.

Net income in the period was $15.7 million, down 45% from the year earlier period, while operating earnings were $31.7 million, a 63% improvement from the corresponding period.

The drop in net income was largely due to a $16.9 million one-time gain in fiscal 1984 from the sale of Cowles cable and broadcast holdings. The results in fiscal 1984, in fact, were the first increase recorded since a wave of cable and broadcast divestitures in the early 1980s left the company leaner though better poised for growth.

Cowles' is being ranked on its fiscal 1985, which largely covers calendar 1984. Previously, the company has been ranked on its media returns from the prior year. All Cowles revenues come from media operations.

While Cowles has neither bought nor sold any properties since its fiscal closing in April, 1984—following earlier divestitures of all its broadcast and cable properties—the company made news when two publishing giants bought blocks of its stock from family hands.

The liquidation earlier this year of the Cowles family-owned Des Moines Register & Tribune Co. enabled Gannett Co., Rochester, N.Y., to buy the Des Moines company's 14.3% stake in Cowles, along with the *Register & Tribune* and three smaller papers.

Kingsley Murphy Jr., whose family sold the *Minneapolis Star & Tribune* to Cowles in the 1940s, sold his 17% interest in the company to Washington Post Co. for an estimated $45 million in March, 1985. The Post has more recently acquired another 3% of Cowles' stock.

The Des Moines company's liquidation and sale also fueled speculation on the fate of Cowles Media. Many industry observers predicted Cowles would meet the same fate after Cowles chairman David Kruidenier's unsuccessful effort to merge the two companies.

Mr. Kruidenier, who also was chairman of the Des Moines company, repeatedly has said Cowles is not for sale, echoing his previous statements about the Des Moines company.

In part to avoid a sale, Cowles has attempted to extend the control and tenure of a five-member voting trust, established in 1977, to ensure that control of the company remains in family hands.

However, a lawsuit filed by Mr. Murphy, a dissident shareholder unhappy with management, charged the extension was illegal and diluted the value of the 17% stake in Cowles Mr. Murphy had earlier said he intended to sell.

Mr. Murphy since has sold his stake to the Post Co. (which earlier expressed an interest in buying the *Des Moines Register & Tribune*), rendering the lawsuit moot, says a source close to Mr. Murphy.

Other news at Cowles includes formation of a division to market videotex services primarily in the Twin Cities skyway system. Though it has made no formal announcement, Cowles plans a series of touch-screen terminals providing shoppers and tourists with information on retailers and sightseeing attractions.

Meanwhile, the flagship *Star & Tribune* has registered circulation increases of 3% daily and 2% Sunday over last year, while its competitor across the Mississippi, the *St. Paul Pioneer Press* and *Dispatch*, showed combined daily and Sunday losses.

The *Star & Tribune's* daily average circulation for the six months ended March 31, 1985, was 383,657, while Sunday circulation was 596,181. The *Star* and *Tribune* were combined in April, 1982, as a step toward boosting profits.

Since then, the *Star & Tribune* has expanded its business coverage with a Monday "Marketplace" section, and increased its news hole for weather, sports and suburban stories.

Cowles also is planning a $110 million expansion of the Minneapolis production facilities, to be completed in 1987.

MEDIA PROPERTIES
Newspapers (daily)
MINNESOTA: *Minneapolis Star & Tribune*; MONTANA: *Great Falls Tribune*; SOUTH DAKOTA: *Rapid City Journal;* IDAHO: *South Idaho Press-Tribune.*
Newspapers (nondailies)
COLORADO: Sentinel newspapers in Arapahoe, Arvada, Aurora, Commerce City, Englewood, Lakewood, Littleton, North Glen-Thornton, South Jefferson, Westminster, Wheat Ridge; IDAHO: *Minidoka News, Reminder Shopper.*
OTHER OPERATIONS
Publishers Inc., a commercial printer and publisher of community directories in the Twin Cities.

Member of the board

Chris-Craft Industries, board includes Alvin R. Rozelle, better known in most circles as "Pete," commissioner of the National Football League.

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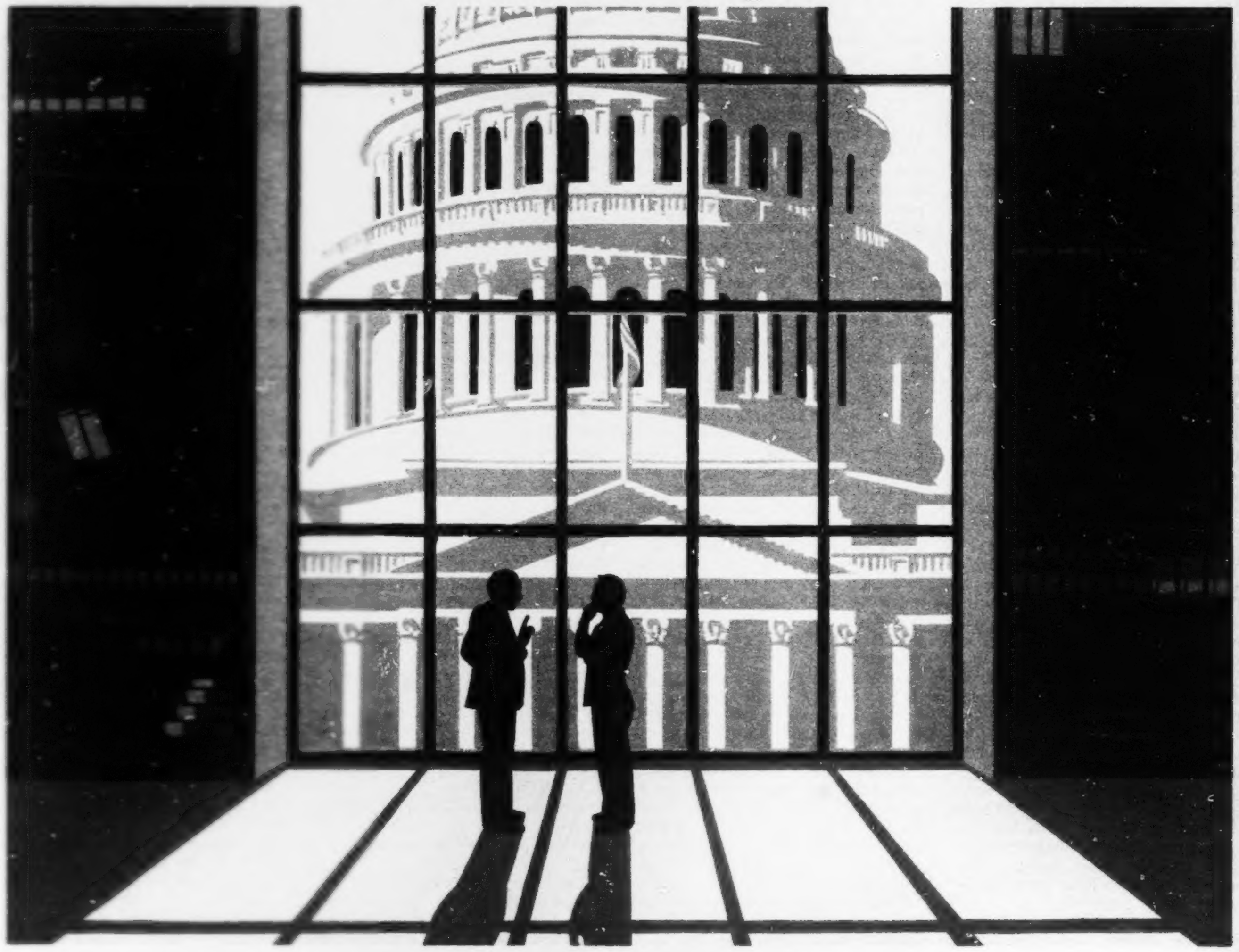

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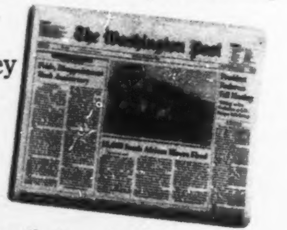

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RANK

Cox Communications 19

Atlanta

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	684	538	27.2
Total sales	743	615	20.9
Net income	78	65	19.1
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	279	200	39.4
Cable	405	337	20.0

Cox Communications, Atlanta, celebrating its 20th and last anniversary as a public company, is the country's 19th largest media company with 1984 media revenues of $684 million, up 20.3% from 1983. It is being bought by Cox Enterprises. (See Cox Enterprises' profile, this page.)

Media revenues accounted for 92% of total revenues of $742.8 million which generated net income of $78 million, up 19.1%.

Cox is a diversified media company with interests in broadcasting and cable tv, as well as several new media, including satellite master antenna tv. The nonmedia portion of Cox's earnings comes from its organizing of automobile auctions (with revenues up 21% and operating income up 6% from 1983) and from programing and nonaffiliate media sales from its TeleRep subsidiary.

Cox broadcasting division reported record results, with a 20.8% revenue gain over 1983 to $279.1 million and a 23% increase in operating income to $107.2 million. After adjusting for the purchases of WAGO (fm) in Chicago ($9 million) and WKBD-TV in Detroit ($70 million) and the sale of WLIF (fm) in Baltimore, 1984 revenues actually increased 11% and operating income, 18% over 1983.

WSB-TV, Cox's flagship station and ABC affiliate in Atlanta, again delivered the highest profit margin in the division. WSB-TV has regained leadership in news at 6 p.m., with WAGA-TV, according to early 1985 Arbitron reports, and is tied with WAGA for first place at 11 p.m., an improvement over last year's report.

WHIO-TV, the CBS affiliate in Dayton, O., had record revenues and continued to dominate the market. WHIO-TV's share is nearly double the audience share of the second-place station, WDTN-TV. WSOC-TV, the ABC affiliate in Charlotte, N.C., also had a record year in revenues and operating income.

KDNL-TV, St. Louis, became the only uhf independent in the market when it switched over from a subscription tv, pay-per-view service in 1984. It remains fifth in a five-tv station market.

Cox's newest tv acquisition, WKBD in Detroit, ranks first among uhf independents in the top 10 markets, according to the latest Nielsen Independent Ranking report, based on the number of viewers in early prime time.

The company's national tv sales rep company, TeleRep, is the third largest rep company in the U.S. in both billing and coverage. According to Cox, TeleRep's 1984 billings approached $600 million and coverage exceeded 61% of the nation.

TeleRep has developed and run several series in recent years including "Solid Gold," the nation's top rated weekly music show seen on 214 stations around the country. "Entertainment Tonight," in its fourth season can be seen in 94% of U.S. tv households. "Star Search," billed as the "world's greatest talent hunt," has been renewed after a successful first season. "Lifestyles of the Rich and Famous" was Cox Communications' 1984 entry and within four months of its debut was on the top 10 first-run syndicated series list. TeleRep also featured two miniseries in 1984 under the Operation Prime Time label. "Helen Keller-The Miracle Continues" and "A Woman of Substance" were OPT's contributions.

It was a successful year for the Cox radio community as well. In Los Angeles, KOST (fm) had its highest rating ever and now ranks second among adults 25 to 54. WSB (am, fm), Atlanta, is second in morning drive in that market.

The 1985 season introduced the broadcasting of Atlanta Braves, Atlanta Falcons and University of Georgia football and basketball games over WSB.

WHIO (am, fm) is the highest rated am, fm and combination station in Dayton. In Charlotte, country music station WSOC (fm) is the leading station in the market. Because of the fm station's success, WSOC (am) was recently changed to a country format from middle of road. WSOC (am, fm) led the radio group in operating margins in 1984. In Miami, WAIA (fm) ranks second among adult contemporary stations in the market.

In Philadelphia, fm station WZGO is benefiting from a change to a contemporary music format, also from middle of road.

Revenues of the station are improving and audience acceptance is growing, say Cox officials.

WAGO (fm), acquired early in 1985, is experiencing lagging sales.

Cox Cable reported 20% increases in both revenues and operating income for 1984. At yearend, basic subscriptions were 1,538,000 and paid program subscriptions were 1,557,000.

Tier units (advertising-supported satellite programing services sold as a separate package) increased to 253,000. After adjusting for four small systems sold during December, 1984, basic subscriptions increased 8% and 4% paid program prescriptions over 1983.

The Cox Cable system in San Diego exemplified the company's growth by signing its 250,000th subscriber, making it the first cable system in the nation to reach that level.

Franchise renewals were negotiated successfully in Santa Barbara and Eureka, Cal., Lubbock, Tex., North Adams, Mass., Parma, O., The Dalles and Seaside, Ore., and Gainesville, Fla. Operating losses were experienced in four major markets, Omaha, Tucson, New Orleans and Vancouver, because of high construction costs.

In December, 1984, sales of three Chicago area systems and the Robinson, Ill., system were completed. Cox also entered into agreement to sell cable systems in Burlington, Rutland and Montpelier, Vt., North Adams, Mass., and Saranac Lake, N.Y. Local partners exercised their right to purchase 80% of Cox Cable in Fort Wayne, Ind.

In April, 1984, Cox Communications purchased On Cable Publications, publisher of *On Cable* magazine. Fox bought the monthly cable program magazine in 1983.

In June, 1984, Cox entered the radio common carrier business with the acquisition of 90% of CyberTel Corp., the oldest and largest paging and mobile telephone operator in St. Louis and the largest in Illinois outside Chicago. The acquisition will provide Cox the means to develop and manage early entry into new radio common carrier technologies, such as cellular radio.

In January, 1984, Cox sold Cox Data Services, a tv software subsidiary. In July, 1984, the company sold Schulke Radio Productions Ltd., a music syndication subsidiary.

MEDIA PROPERTIES

Broadcasting

TV: KDNL, St. Louis; KTVU, Oakland-San Francisco; WHIO, Dayton, O.; WKBD, Detroit; WPIX, New York; WSB, Atlanta; WSOC, Charlotte, N.C.

RADIO: KFI (am), KOST (fm), Los Angeles; WAGO (fm), Chicago; WHIO (am, fm) Dayton, O.; WIOD (am), WAIA (fm), Miami; WSB (am, fm), Atlanta; WSOC (am, fm), Charlotte, N.C.; WZGO (fm), Philadelphia.

Cable/video

ARIZONA: Tucson. CALIFORNIA: Bakersfield, Eureka, San Diego, Santa Barbara. CONNECTICUT: Hartford. FLORIDA: Gainesville, Jacksonville Beach, Ocala, Pensacola, Sebring/Avon Park. GEORGIA: Macon, Warner Robbins. ILLINOIS: Moline, Park Forest. INDIANA: Columbus, Fort Wayne, Michigan City, Peru/Wabash. IOWA: Cedar Rapids, Davenport. LOUISIANA: Jefferson Parish/Kenner, New Orleans. MASSACHUSETTS: North Adams. MICHIGAN: Owassa, Saginaw. NEBRASKA: Omaha. NEW YORK: Great Neck, Saranac Lake/Lake Placid/Tupper Lake. OHIO: Cleveland. OKLAHOMA: Oklahoma City. OREGON: Astoria/Seaside, The Dalles. PENNSYLVANIA: Lewiston, Lock Haven, Tyrone. RHODE ISLAND: Cranston/Johnston. SOUTH CAROLINA: Myrtle Beach. TEXAS: Denton, Lubbock. VERMONT: Burlington, Montpelier, Rutland. VIRGINIA: Norfolk/Portsmouth/Virginia Beach, Roanoke. WASHINGTON: Aberdeen, Long Beach, Spokane, Vancouver, Yakima.

Magazines

On Cable.

OTHER OPERATIONS

Auto auctions, TeleRep programing and nonaffiliate ad sales, CyberTel radio common carrier, On Cable Publications.

RANK

Cox Enterprises 21

Atitanta

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	587	500	17.4
Total sales	604	518	16.6
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	587	500	17.4
Magazine	0	0	0
Broadcast	0	0	0
Cable	0	0	0

Cox Enterprises, Atlanta, the nation's 21th largest media company in 1984, will virtually double in size with its reuniting with sister corporation, Cox Communications.

Had the merger been consummated by yearend, Cox Enterprises, which in 1964 spun off Cox Communications into a quasi-public company (Cox family interests retained 40.8% of the stock) to finance expansion in broadcast, would have ranked 12th with 1984 media revenues of $1:27 billion among this year's 100 media companies.

As it was, Cox Enterprises held down its current ranking with revenues of an estimated $587 million, up 17.4% from the prior year.

Cox Enterprises is a privately owned newpaper company led by Barbara Cox Anthony and her sister, Anne Cox Chambers. The *Atlanta Journal* and *Constitution* are its lead papers. The company operates 24 daily newspapers in 16 cities and several weeklies in suburban New Orleans and in Texas. It also has shoppers in Arizona, Colorado, Florida, Louisiana, Ohio and Texas, and it publishes the monthly *Palm Beach Life.*

Cox Enterprises had purchased more than 95% of the outstanding shares of Cox Communications by the end of May, 1985, paying $75 a share, or $1.2 billion.

According to sources at Cox Enterprises, no changes are expected in the broadcast, cable or newspaper operations.

The reunited companies took little time in taking decisive action. In early June, Cox Enterprises agreed to buy for $185 million SFN Cos.' WFTV, the ABC-affiliate and leading station in Orlando in news and other local programing. SFN Cos. picked up the station less than a year ago for $125 million. Cox may have paid as high as 16 times projected cash flow for the station, excessively steep even in today's euphoric media market.

Cox Enterprises in 1984 acquired the *Orange* (Tex.) *Leader*, with a circulation of about 12,000, and in February, it acquired 50% of the *Yuma* (Ariz.) Daily Sun from the Soldwedel family, and then later in the year bought out Donrey Media Group which had purchased the other 50%.

Cox now operates 24 daily newspapers with a total circulation exceeding 1.4 million. Its Sunday editions reach another 1.5 million readers.

Contrary to rumor, Cox Enterprises says it intends to hold on to the *Miami News* despite speculation that it would dump the poorly performing evening paper with ABC audited circulation for the six-month period ended March 31, 1985 of 60,286, down 5.1% from the prior year.

Cox's *Atlanta Journal* and *Constitution* continue to show growth with ABC audited circulation March 31 of 420,156, up 2.1% from the prior year. The Sunday *Journal & Constitution* had circulation of 595,625, up 4.9%.

MEDIA PROPERTIES

Magazines

Palm Beach Life.

Newspapers (dailies)

ARIZONA: *Chandler Arizonian, Mesa Tribune, Tempe Daily News, Yuma Daily Sun.* COLORADO: *Grand Junction Daily Sentinel.* FLORIDA: *Miami News, Daytona Beach Journal* (47.5%), *Daytona Beach News* (47.5%), *Miami News, Palm Beach Daily News, Post* and *Evening Times* (West Palm Beach). GEORGIA: *Atlanta Constitution, Atlanta Journal.* OHIO: *Dayton Daily News, Dayton Journal-Herald, Springfield News-Sun.* TEXAS: *Austin American-Statesman, Longview Journal, Longview News, Lufkin News, Orange Leader, Port Arthur News, Waco Tribune-Herald.*

Newspapers (nondailies)

LOUISIANA: *East Bank Guide* (Metairie), Jefferson Parish Times, Kenner City News, Orleans Guide, St. Bernard Guide, West Bank Guide. TEXAS: *Opportunity Valley News, Community Post* (both in Port Arthur). Also shoppers in Arizona, Colorado and Florida.

RANK

Dispatch Printing Co. 70

Columbus, O.

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	152	140	8.6
Total sales	152	140	8.6
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	117	109	7.3
Magazine	2.0	N/A	N/A
Broadcast	33.0	31.0	6.5
Cable	0	0	0

Privately held Dispatch Printing Co., Columbus, O., the nation's 70th largest media company, had 1984 revenues, all in media, estimated by Advertising Age at $152 million, up 8.6% from 1983's estimate.

The company's main enterprise, the afternoon *Columbus Dispatch*, has increased its Sunday circulation by 5,257 since 1983, while its weekday sales decreased 128, according to Terry De Vassie, assistant circulation director.

Hal Schellkopf, assistant managing editor, says better economic conditions account for the increase in Sunday sales. "At $1 a copy, maybe some people who didn't have a buck a year ago, do now."

Mr. Schellkopf and Mr. De Vassie agree that Gannett Co.'s *USA Today* has affected the *Dispatch's* weekday circulation.

Mr. De Vassie says, "*USA Today* also created newspaper readers—people who never bought daily papers before." So he believes, "If *USA Today* should go off the market, we'd have a bunch of new readers."

A 25-year joint operating agreement (JOA) with the *Columbus Citizen-Journal* will end Dec. 31, 1985, Mr. Schellkopf says. He refused to elaborate on reasons, saying the contract, which called for Dispatch Printing Co. to handle advertising, circulation and other noneditorial functions for both papers, will expire and not be renewed. Mr. Schellkopf says the *Dispatch* has no plans to switch to a morning paper to compete head-on with the *Citizen-Journal*, owned by Scripps-Howard, Cincinnati. That would present "production problems," he says, noting that the *Dispatch* will continue printing both papers.

The *Citizen-Journal's* circulation of 119,150 in the March 31, 1985, ABC report was down 1.7% from last year. The *Citizen-Journal* does not publish a Sunday edition. The *Dispatch*, which publishes a bulky 400-page to 500-page edition, had an estimated Sunday circulation, in April, of 363,546.

Mr. De Vassie says his staff estimated the *Dispatch's* daily circulation was 206,420 in April, 1985. His figures are based on ABC standards, he says, and the two papers currently are undergoing their yearly ABC audit. The *Dispatch* Sunday magazine, *Capitol*, shows off the paper's new heat-set/offset printing technique, which Mr. Schellkopf says offers truer color reproduction.

The *Dispatch's* newly installed Atex computer system, Mr. Schellkopf says, has improved efficiency for his 170-member editorial staff. Negotiations are under way to hook up *Dispatch* computers to VU/TEXT, an information research service out of Philadelphia.

Richard Franks, vp-operations, says the paper soon will offer advertisers "any combination of methods" for penetrating advertising markets, such as zone advertising in the paper or by mailing preprinted ads as part of a total market coverage (tmc) to reach nonsubscribers. The service will be available this fall or by the end of the year, he says.

Changing the format of the monthly *Ohio* magazine from a city magazine covering the whole state to a regional focus is credited by Ellen Stein, managing editor, with building the circulation base to 122,000 in 1985 from 111,000 at the beginning of 1984. An ABC audit lists circulation as 97,137 for the fourth quarter of 1984.

Ohio magazine is distributed fairly evenly across the state, with stronger penetration showing in some major cities without city magazines, such as Akron and Youngstown, Ms. Stein says. Dispatch Printing Co. started radio station WBNS (am) in Columbus in 1929. Ten years later, it expanded into an fm station. Both are now easy listening stations.

The company's WBNS-TV, a CBS affiliate, ranks No. 1 with its 6 p.m. news in the Columbus area and claims 43% of the viewing audience, down 5 percentage points from last year. Jerry Cary, chief financial officer, says the drop was caused by the advent of a new independent station, WTTE, owned by Julian Smith. WTTE recently began operations in Columbus and has taken a percentage of viewers from all the local stations.

Dispatch's Indianapolis tv property, WTHR-TV continues to rank No. 2 in that market's 6 p.m. news slot. Mr. Cary says WTHR-TV's affiliation with NBC has produced heavy gains in prime-time ratings this season.

MEDIA PROPERTIES

Broadcasting

TV: WTHR, Indianapolis; WBNS, Columbus.

RADIO: WBNS (am, fm), Columbus.

Magazines

Ohio

Newspapers

OHIO: *Columbus Dispatch.*

RANK

Donrey Media Group 60

Fort Smith, Ark.

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	198	169	17.2
Total sales	198	169	17.2
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	158	134	18.4
Magazine	N/A	N/A	N/A
Broadcast		25	
Cable		4	

Donrey Media Group, Fort Smith, Ark., is a privately held company with media revenues estimated by Advertising Age at $198 million in 1984 and the nation's 60th largest media company.

All of Donrey's interests are in media operations, with an estimated 80% of its revenues generated by newspapers. Focusing on newspapers with circulations between 15,000 and 100,000, Donrey now owns 105 newspapers, including 52 dailies.

Characterizing 1984 as "a year of growth," Donrey exec vp Fred Smith says he looks to 1985 for "continuing internal growth and additional acquisition activity."

To illustrate his point, Mr. Smith

noted the company acquired in May, 1985, the *Norman* (Okla.) *Transcript*, with ABC circulation of 17,245 daily and 18,204 Sunday for the six-month period ended March 31, 1985.

Donrey also owns 12 outdoor advertising plants, seven radio stations, one tv station and five cable companies. It broadened its holdings in 1984 with the addition of a radio station, KLDR (fm), in Delta, Colo., and another outdoor advertising operation, Donrey Outdoor, in Muncie, Ind.

Also acquired were four more newspapers; *Ukiah* (Cal.) *Daily Journal*; *Altus* (Okla.) *Times*; *Advocate News* in Fort Bragg, Cal., and the *Mendocino* (Cal.) *Beacon*.

The company remains committed to developing technology, particularly in its newspaper operations. Donrey is very pleased, Mr. Smith says, with the progress of a laser plate maker it has been researching.

Now in use at the company's largest newspaper with daily circulation of 101,658—the *Las Vegas Review-Journal*—Donrey is considering the plate maker introduction elsewhere in the system.

MEDIA PROPERTIES

Broadcasting

TV: KOLO, Reno, Nev.

RADIO: KBRS (am), Springdale, Ark.; KLDR (fm), Delta, Colo.; KEXO (am), Grand Junction, Colo.; KOCM (am), Newport Beach, Cal.; KORK (am), and KEER (fm), both in Las Vegas, Nev.

Cable/video

Donrey Cablevision in Rogers, Ark., Vallejo, Cal., Bartlesville, Blackwell, Guymon, Okla. and Kilgore, Tex.

Newspapers (dailies)

ARKANSAS: *Northwest Arkansas Morning News* (Rogers), *Southwest Times Record* (Fort Smith), *Springdale News*. CALIFORNIA: *Chico Enterprise-Record, Lompoc Record, Ontario Daily News, Redlands Daily Facts, Ukiah Daily Journal, Vallejo Times-Herald, Woodland Daily Democrat*. HAWAII: *Hawaii Tribune-Herald* (Hilo), *West Hawaii Today* (Kailua-Kona). INDIANA: *Washington Times-Herald*. IOWA: *Oskaloosa Herald*. KENTUCKY: *Glasgow Daily Times*. MISSISSIPPI: *Picayune Item*. MISSOURI: *Macon Chronicle, Moberly Monitor-Index*. NEVADA: *Nevada Appeal* (Carson City), *Ely Daily Times, Las Vegas Review-Journal*. NEW MEXICO: *Alamogordo News*. OKLAHOMA: *Altus Times, Bartlesville Examiner-Enterprise, Blackwell Journal-Tribune, Chickasha Daily Express, Durant Daily Democrat, Frederick Daily Leader, Guthrie Daily Leader, Guymon Daily Herald, Henryetta Daily Free-Lance, Holdenville Daily News, Norman Transcript, Okmulgee Daily News, Paul's Valley Daily Democrat, Pawhauska Daily Journal-Capital, Wewoka Daily Times*. TENNESSEE: *Daily Herald* (Columbia). TEXAS: *Borger News-Herald, Cleburne Times Review, Gainesville Daily Register, Jacksonville Daily Progress, Kilgore News Herald, Sherman Democrat, Sweetwater Reporter, Weatherford Democrat*. WASHINGTON: *Aberdeen Daily World, Auburn Daily Globe News, Kent Daily News Journal, Renton Daily Record Chronicle*.

Newspapers (nondailies)

53 nondailies in 14 states including *Booneville* (Ark.) Democrat, Advocate News and *Mendocino Beacon* (both in California), *Oskaloosa* (Ia.) *Shopper* and *Poplarville* (Miss.) *Democrat, Randolph County Times* (Huntsville, Mo.).

Dow Jones Co.

New York

RANK 17

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	926	816	13.4
Total sales	966	866	11.4
Net income	129	114	13.1
Sales per medium			
Newspaper	886	738	20.0
Magazine	30	28	8.7
Broadcast	0	0	0
Cable	0	0	0

Dow Jones & Co., New York, is the country's 17th largest media company with media revenues of $926 million in 1984, a 13.4% increase over 1983.

Media revenues accounted for 96% of total revenues of $965.6 million in 1984. National publications and news and information services accounted for nearly 78% of the total revenue.

Like many media companies, Dow Jones spent time on the acquisition trail. Last January, 1985, the company purchased interests in two software companies—Software Ventures and Planning Economics Software. The purchases were part of a corporate strategy to expand the company's growing software operations.

In June, 1984, Ottaway Newspapers, Dow Jones' community newspaper publishing subsidiary, purchased the *News-Sun*, Sun City, Ariz., its 22nd daily newspaper for $9 million in notes. The six-day a week afternoon newspaper has a circulation of nearly 17,000.

In November, in a surprise move, Dow Jones unsuccessfully offered $112 million for the Des Moines Register & Tribune Co. The company's offer was made in conjunction with a group of investors, two of whom were top executives at the *Des Moines Register & Tribune*, the company's lead paper. The *Des Moines Register* and the company's other newspapers were sold to Gannett Co., in January, 1985, for $200 million.

During 1984, Dow Jones' flagship publication, the *Wall Street Journal*, made news when a Securities & Exchange Commission investigation alleged that *Journal* reporter R. Foster Winans, who often wrote the "Heard on the Street" column, leaked advance information about topics of future columns to outsiders. Mr. Winans, his roommate and a Kidder Peabody & Co. employe are defendants in the resulting criminal securities, wire and mail fraud trial.

Last September, *Journal* executives said the company was expecting third-quarter ad linage to be flat and were expecting a slip in circulation by yearend. At that time, the company said, circulation had been down 2% to 4% during the previous few months. The company attributed the circulation decline to increases in subscription rates and single-copy prices, which rose from 35¢ to 50¢.

ABC six-month average as of March 31, 1985, place the *Journal* circulation at 1,990,025, down 4.4% from the prior year. And for its 1985 first quarter, ended March 31, the *Journal* reported a 0.3% slippage in ad linage primarily due to decreases in classified advertising and help-wanted and condominium ads.

The company said the slowdown in ad linage was based on "difficult" comparisons with the third quarter of 1983 when ad linage was up substantially as the recession ended.

In the fourth quarter, the paper's stagnant ad linage was compounded by Mobil Corp.'s removal of the the *Journal* from its media buying schedule. The decision stemmed from Mobil's apparent dissatisfaction over its editorial treatment in the newspaper. Mobil spent more than $500,000 in the *Journal* through the first 11 months of 1984.

In November, the *Journal* announced an increase in national ad rates of 9.5% and regional rates 8% to 9%. Also, the company's *Asian Wall Street Journal* boosted its rates 12.5%, and rates for the *Asian Wall Street Journal Weekly*, published in the U.S. for a North American audience, rose 15%. Ad rates for the *Wall Street Journal/Europe* rose 25%.

In April, 1985, the *Journal* launched a $5 million ad campaign aimed at increasing readership among its target group of 25 to 54-year-olds.

The 30 and 60-second b&w tv spots, dubbing the *Journal* "the daily diary of the American dream," featured film clips mixed with still photos of immigrants arriving in the U.S. and being processed at Ellis Island. During the spot a singer tells the viewers, "the dreamer, the leader, they're one and the same in you."

The 13-week circulation campaign aired on sports, news and prime-time programs. Agency for the campaign is Fallon McElligott Rice, Minneapolis.

The company's *Barron's* magazine faced similar circulation erosion as the

BUSINESS WITH BILL*

[*Frankly, an advertisement*]

Yes, frankly, this is an ad. Our objective? If we can reflect to you the uniqueness of our Bill Communications' properties, then you can judge us even better as a reader, perhaps an advertiser, and maybe even a future fellow employee.

John Hartman
Chairman of the Board
Bill Communications, Inc.

Any good job will give you the opportunity to better yourself and to advance your position within a company, but Bill Communications gives you much more. How else could I have started as a clerk-typist and (with no sales experience) gotten to be a sales representative in four years?

Bill Communications is a very special place to work because at Bill you get a feeling of being part of a close-knit family. There is a willingness to help people who stumble because you get the same consideration in return. This establishes an openness of communication and accessibility from the top manager to the newest employee.

Bill is a place where personal development is considered as important as professional success; a place where constructive advice will be found both within your own division and also from others. It's a place where fear of failure is overpowered by the excitement of possible success; a place where solutions are sought out at the expense of standard operating procedures. Everyone at Bill recognizes that the company's greatest asset is properly acknowledged—the people who work here. Bill Communications is a place where everyone comes to work knowing that we are all happily working towards one common goal—personal growth and success.

Andrew J. Desidoro
Regional Sales Manager
Sales & Marketing Management

With Bill: 11 Years

Bill Communications is a company for the independent, self-motivated, goal-oriented individual. Technical competence must be coupled with vision and tenacity. Corporate staff is kept to a minimum and the financial people like me are involved in the creative process as advisers, not as policemen. For them success is measured by numbers, and the numbers at Bill have been very gratifying, indeed. Sales in 1972, the year I joined the company, were $10 million. Sales in 1981 were $33 million. That represents an average increase of 15% per year for the last nine years. During those years, the company has started four new magazines, increased employment levels by 10%, and become a national leader of a disappearing breed—the privately held publishing company.

At Bill, the emphasis is always on quality, of product and performance. There are probably some areas where we could save a nickel here, a dime there, but Bill wouldn't be the company it is if we did.

Joseph J. Furey
Corporate Controller

With Bill: 13 Years

Market Statistics' success and growth proves how important individuals and ideas are at Bill Communications. Although we are a statistical consulting division sitting alongside eleven publications, our corporate heads take the time and initiative to learn our business and guide us. At the same time, our range of freedom is enormous. I have been given the opportunity to assemble and develop a highly skilled and motivated team of professional people.

Obviously, that bottom line is what counts with the men in the front office. In order to show profit in the highly competitive field of Marketing Analysis we are continually developing new techniques, improving our basic data, and seeking out new business opportunities. Bill's corporate management realizes the need to let us "run with the ball," and because of that our story is a successful one.

For me, personally, this has been very gratifying. I have been allowed to grow, to experiment, and most important: to learn. After having worked in environments which were stifling to creativity, the feeling at Bill that ideas are always positively received is very enjoyable. It's the only way to have fun in your career.

Edward J. Spar
President
Market Statistics

With Bill: 14 Years

*BILL COMMUNICATIONS, INC. *PUBLICATION DIVISION:* INCENTIVE MARKETING □ INDUSTRIAL CHEMICAL NEWS □ INSTITUTIONAL DISTRIBUTION □ JOBBER RETAILER □ MODERN TIRE DEALER □ PLASTICS TECHNOLOGY □ RESTAURANT BUSINESS □ RESTAURANT AND HOTEL DESIGN □ SALES & MARKETING MANAGEMENT □ SUCCESSFUL MEETINGS □ *INFORMATION DIVISION:* BILLCOM LIST RENTAL □ FOODSERVICE RESEARCH CENTER □ MARKET STATISTICS □ SALES BUILDERS □ SM DATA BANK

CORPORATE HEADQUARTERS: 633 THIRD AVENUE, NEW YORK, NY 10017 [212-986-4800].

Journal. The weekly magazine's circulation of 260,400 at yearend was off 13.1% from 1983. Ad linage also was off 5.6% on a per-issue basis, yet higher ad rates made for over-all growth in advertising. The magazine in the first quarter, 1985, registered an ad linage increase of 4.7% per issue.

Barron's, relying on strong newsstand sales, shifted part of its print run to the *Journal* plant in Beaumont, Tex., for printing Friday evenings for Saturday morning sales. Five other Dow Jones' plants have Friday evening pressruns for the magazine.

MEDIA PROPERTIES

Magazines

American Demographics, Asian Wall Street Journal Weekly, Barron's, National Business Employment Weekly.

Newspapers (dailies)

Asian Wall Street Journal, Wall Street Journal, Wall Street Journal/Europe. Ottaway Newspaper Group: ARIZONA: *News-Sun*, Sun City. CALIFORNIA: *Santa Cruz Sentinel.* CONNECTICUT: *Danbury News-Times.* KENTUCKY: *Ashland Daily Independent.* MASSACHUSETTS: *Beverly-Peabody Times, Cape Cod Times, Gloucester Daily Times, New Bedford Standard-Times, Newburyport Daily News.* MICHIGAN: *Traverse City Record-Eagle.* MINNESOTA: *Mankato Free Press, Owatonna People's Press.* MISSOURI: *Joplin Globe.* NEW YORK: *Middletown Times Herald-Record, Oneonta Daily Star, Plattsburgh Press Republican, Tri-State Gazette.* OREGON: *Medford Mail Tribune.* PENNSYLVANIA: *Pocono Record, Sharon Herald, Sunbury Daily Item.*

Equity interests

Far Eastern Economic Review (49% interest), *South China Morning Post* (16% interest), *Press-Enterprise Co.* (20.1% interest).

Other media operations

Dow Jones News Service, DowAlert, Dow Jones News/Retrieval, Dow Jones Cable News (videotex).

OTHER OPERATIONS

Planning Economics Software; Software Ventures; Richard D. Irwin Inc., publisher; newsprint mills.

Dun & Bradstreet

RANK **10**

New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	1,400	1,302	7.6
Total sales	2,397	2,061	16.3
Net income	522	218	138.5
Sales per medium			
Newspaper	0	0	0
Magazine	0	332	0
Broadcast	380	107	254.1
Cable	0	0	0

Dun & Bradstreet Corp., New York, which completed the sale of its broadcast and cable properties in 1984, is the country's 10th largest media company, with 1984 revenues of $1.40 billion from the media portion of its business, up 7.6% from the previous year.

The company's media revenues are derived from two business segments: The largely ad-generated publishing segment with 22 trade and professional magazines produced in the segment's technical publishing division; and the marketing services segment, which includes Donnelley Marketing cooperative-mailing programs, A.C. Nielsen Co.'s marketing research and media group. The broader interpretation of media used by Advertising Age for this 1984 media report accounts for the inclusion of D&B's marketing services as media.

Media accounted for 60.8% of total D&B revenues of $2.40 billion, up 16.4%, and 76.8% of total operating income. Figures for 1983 were restated to reflect the acquisition of A.C. Nielsen and divestiture of Funk & Wagnalls and Corinthian Broadcasting Corp.'s six tv stations sold to A.H. Belo Corp. in 1984.

D&B's only nonmedia business segment is business information services, accounting for $938.8 million in operating revenue, 39.2% of the total, and operating income of $161 million, or 39.3% of the total.

During 1984, D&B completed the sale of wholly owned Corinthian Broadcasting Corp.'s six tv stations and the sale of Pembroke Cable Corp., which operated 10 cable franchises, later in the year. The sale of its broadcast and cable properties, along with other divestitures, were key decisions in the company's long-term strategy to redeploy its assets into the mainstream of the business information and services sector.

In 1984, the publishing segment contributed 24% of operating revenue and 45.9% of its operating income. Total ad pages for Technical Publishing's 22 magazines were up in 1984, reflecting improvements in the economy as a whole and in markets served by industrial and construction publications. Its publications aimed at data processing and high-tech markets had the most growth, while its medical and graphic arts publications had the least.

Datamation, which serves the information-processing market, increased its publishing frequency to twice a month in April, 1984. The new schedule enables the magazine to offer more complete editorial coverage of fast-changing developments and to offer advertisers increased opportunities to reach customers. *Control Engineering, Research & Development* and *Solid State Technology*, each of which leads its market segment, had record performances.

Last year, Technical Publishing acquired Ironoak Co., which publishes buyers' guides for microcomputer-systems designers, and *Test and Measurement World*, a magazine serving engineers responsible for testing high-tech products at the point of manufacture. It sold *Software News* and DBI Books.

Dun & Bradstreet's 1984 growth was paced by a number of media operations, including Reuben H. Donnelley (which in early 1985 was restructured into two divisions: Donnelley Directory, which manages relationships with telephone companies regarding the production of its Yellow Pages, and Donnelley Information Publishing, which handles the publishing of independent directories); Donnelley Marketing, and Moody's Investors Service.

These operations reported higher operating margins based on strong revenue growth and continued cost containment, enabling D&B to increase its investment in new products and services and startup operations, as well as absorb the initial costs of acquisitions.

The acquisition of A.C. Nielsen Co., finalized in August, 1984, involved a stock transaction valued at about $1.3 billion. Nielsen is the world's largest market research company, with operations in 26 countries.

While Nielsen is perhaps best known for its tv audience measurement service, its other substantial businesses include marketing research, clearinghouse services for promotional coupons, circulation fulfillment for magazine publishers, petroleum information services and research for high-tech companies.

Following the retirement of Harrington (Duke) Drake, 65, on Jan. 1, 1985, Charles W. Moritz moved up from president-coo to fill the chairman-ceo post; Robert E. Weissman moved up from exec vp to president-ceo. Mr. Drake continues as a director of the company.

MEDIA PROPERTIES

Magazines

American Journal of Cardiology, American Journal of Medicine, American Journal of Surgery, Consulting Engineer, Contractor, Control Engineer, Cutis, Datamation, Dun's Business Month, Electric Light & Power, Fire Engineering, Graphic Arts Monthly, Highway & Heavy Construction, Industrial Distribution, Multibus Buyers Guide, Plant Engineering, Plant Engineering Products, Power Engineering, Research & Development, Solid State Technology, Test and Measurement World, World Mining Equipment.

Other media operations

Donnelley Directory and Donnelley Information Publishing (previously Reuben H. Donnelley), Donnelley Marketing, Donnelley Marketing Information Services, Dun's Marketing Services, D&B Business Education Services, Financial Services Industry Group, Ironoak Co., Moody's Investors Services, Nielsen's Clearing House Group, Nielsen's Dataquest, Nielsen's Neodata Services Group, Nielsen's Market Research Group, Nielsen's Media Research Group, Official Airline Guides, Salesnet, Technical Data Resources.

OTHER OPERATIONS

Business Information Services, including Dun & Bradstreet Credit Services, D&B International, D&B Plan Services (insurance), D&B Commercial Collections, D&B Computing Services, Dunsplus, McCormack & Dodge, Zytron.

Evening News Assn.

RANK **40**

Detroit

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	279	260	7.3
Total sales	N/A	N/A	N/A
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	198	188	5.4
Magazine	0	0	0
Broadcast	81	73	12.0
Cable	0	0	0

Evening News Assn., Detroit, whose flagship property is the *Detroit News*, is the nation's 40th largest media company with total media revenues estimated by Advertising Age at $279.1 million.

ENA's 1984 media revenues were up 7.3% from 1983's $260.2 million. The *News* represents about 65% of the company's total media revenues.

The *News* increased circulation across-the-board in the three months ended March 31. Daily circulation rose to 666,949, up 1.5%. Sunday circulation is 884,763, up 2.7% over the year-earlier period. For the same period, the *News'* rival, the *Detroit Free Press*, had daily circulation of 646,476, up 2.4%, and Sunday circulation of 778,178, off 1.2% from the year-earlier period.

The war between the newspapers remains fierce, with each paper's promotional ads jabbing at the other. A *News* spokesman says, "Circulation figures show that the *News* is in a much stronger position than the *Free Press.*" However, competition for readers is still so intense that newsstand prices lag behind the national norm, contributing heavily to annual losses that analysts say amount to more than $10 million for each paper.

The *News* raised its Sunday price from 50¢ to 75¢ in April, 1985. Dailies are 15¢ each in the Detroit metro area and 20¢ out-state. The *Free Press* is 20¢ daily and 75¢ on Sundays.

In addition to its circulation margin, the *News* has a 60% share of the ad volume of the two papers' combined total.

In December, 1984, ENA bought back 31,000 of its own shares at $250 each to thwart a possible company takeover after learning that other companies were soliciting stockholders of the closely held company. ENA also filed suit in Wayne County Circuit Court, contending the attempts to acquire ENA stock violated Michigan's takeover law.

ENA was denied a preliminary injunction against Booth American Co., a Detroit-based radio and cable tv operator; George Gillett Jr., owner of Gillett Group, Nashville, and Post Corp., Appleton, Wis., and two brokerage companies. The denied injunction ended litigation for all except Booth, which asked for an exemption from state laws requiring it to disclose stock purchase plans.

Booth American is owned and operated by descendants of Ralph H. Booth, whose brother, George, married Ellen W. Scripps in 1887. Ms. Scripps was the daughter of *Detroit News* founder James E. Scripps. Descendants of George Booth and James Scripps control ENA's board of directors and management. Peter B. Clark, current ENA president and the fifth *News* publisher, is the great-grandson of James Scripps.

ENA and Booth settled the legal dispute in May, 1985. Booth demonstrated to ENA that it had purchased ENA stock as a long-term investment and was supportive of ENA's board of directors. Booth now owns 3.7% of ENA outstanding stock and plans to buy an additional 5,500 shares, increasing holdings to 4.9%. ENA board members hold 51% to 53% of ENA stock.

ENA is considering going public within the next five years to meet minority shareholder demands for increased liquidity. If it does, ENA will acquire other smaller companies, secure its position against the *Free Press* and be listed on a stock exchange.

One industry analyst hinted that competition between the *News* and *Free Press* might be less intense than is supposed. "If ENA goes public, it will have to show a breakdown of revenues, assets, etc., by category," says J. Kendrick Noble of Paine Webber Mitchell Hutchins, New York. "It would be the first time we'd see the true nature of the competition."

Meanwhile, ENA made a plea for stockholder unity after a group of shareholders solicited support for an appraisal of ENA stock. Peter Clark warned shareholders in a letter that independent appraisals could damage the company's operations and shareholders' prospects for long-term gains.

Meanwhile, ENA's broadcast properties continue to hold strong market positions. WDVM-TV, ENA's CBS affiliate in Washington, is the most consistent challenger sign-on to sign-off to market supremacy of independent WTTG-TV. Among the affiliates, A.C. Nielsen Co. pegs WDVM-TV market leader in late-night local news, ahead of WJLA-TV, the ABC affiliate owned by Allbritton. Arbitron Ratings Co., however, shows WDVM-TV trailing WRC-TV, the NBC-owned and operated station, in the late-night spot. Only a few percentage points separate the three affiliates regardless of the monitoring service.

Other tv properties include CBS affiliate KOLD-TV, Tucson, which is No. 1 in ratings and share; NBC affiliates KTVY-TV, Oklahoma City, and WALA-TV, Mobile, Ala., both in second place in their markets, and ABC affiliate KVUE-TV, Austin, Tex., No. 1 "blockbuster," according to James Clark, ENA director of corporate communications.

Radio station WJOI (fm), with a beautiful music format, is No. 1 in Detroit's 40-station market. However, WJR (am), broadcaster of Detroit Tigers baseball games, pushes WJOI (fm) to second place during baseball season. ENA's WWJ (am), the only all-news station in Detroit, ranks anywhere from No. 3 to No. 5, depending on the season.

Times Graphics, Vineland, N.J., publisher of six newspapers and wholly owned by ENA, recorded slight circulation drops among its properties, all located in New Jersey. Publications and circulations are: Two daily papers, *Vineland Times Journal*, 17,573, and *Millville Daily*, 6,614. New Jersey weeklies are: *Mainland Journal*, 5,926; *Hammonton News*, 5,419; *Egg Harbor News*, 1,975, and *Atlantic County Record*, 1,900. Times Graphics also does commercial printing.

ENA's two California papers are published by Desert Sun Publishing Co. of Palm Springs. Circulation increases were recorded at both for the three-month period ended March 31, 1985, according to ABC. The papers, their circulations and increases are: *Palm Springs Desert Sun*, 30,971, up 5.5%, and *Indio Daily News*, 9,116, up 4.1%.

ENA is searching for both newspaper and broadcast properties, although it is not concentrating on any specific geographical areas. Mr. Clark declined to give details.

MEDIA PROPERTIES

Broadcasting

TV: KOLD, Tucson; KTVY, Oklahoma City; KVUE, Austin, Tex.; WALA, Mobile, Ala.; WDVM, Washington.

RADIO: WWJ (am) and WJOI (fm), Detroit.

Newspapers (dailies)

CALIFORNIA: Desert Sun Publishing Co. —*Indio Daily News, Palm Springs Desert Sun.* MICHIGAN: *Detroit News.* NEW JERSEY: Times Graphics Inc.—*Millville Daily, Vineland Times Journal.*

Newspapers (nondailies)

NEW JERSEY: Times Graphics Inc.—*Atlantic County Record, Egg Harbor News, Hammonton News, Mainland Journal.*

OTHER OPERATIONS

Commercial printing of Times Graphics Inc.

Family Media

RANK **63**

New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	185	162	14.2
Total sales	185	162	14.2
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	185	162	14.2
Broadcast	0	0	0
Cable	0	0	0

Family Media Inc., publisher of *Ladies' Home Journal*, ended 1984 with a 14% increase in net revenues from 1983 to $185.3 million, making it the 63rd largest media company.

Net revenues, all of which are attributed to media properties, will continue on the upswing next year with the acquisition in the first two months of 1985 of two new magazines, *Savvy* and *World Tennis.*

The major disappointment for company officials in 1984 was losing out to Mortimer Zuckerman in the bidding for U.S. News & World Report Inc., parent of the magazine of the same name.

"It's difficult to think we were that close to having one of the great names in American publishing and lost it," Family Media chairman-president Robert Riordan says.

Ladies' Home Journal has the highest circulation and the most media revenue of the company's six publications. However, the greatest percentage increase was recorded by *Homeowner*, which doubled its media revenues in 1984. Small losses were registered by Health and *1,001 Home Ideas.*

According to vp-operations Jeremy Grazel, in 1984 the circulations and net revenues (net advertising and circulation) were: *Ladies' Home Journal* had circulation of 5 million and revenues of $111.6 million, up 21.1% from 1983; *1,001 Home Ideas* had 1.5 million circulation and revenues of $30.4 million, down 5.3%; *Health*, 1 million circulation and $18.4 million in revenues, down 6.6%; *Homeowner*, 650,000 circulation, $11.2 million in revenues, up 115.4%; *World Tennis*, 350,000 circulation, $7.1 million in revenues, up 10.9%, and *Savvy*, 300,000 circulation and revenues of $6.6 million, up 1%.

Net ad revenues (minus discounts, agency commissions, etc.) for most of the company's publications have risen by a healthy amount. *Ladies' Home Journal* ad revenues have swelled almost 16%, to $56.6 million. *Health* ad revenues have contributed $4.6 million, up almost 26%. Ad revenues at *1,001 Home Ideas* soared 41% to $7.6 million, while advertising in *Homeowner* brought in $1.6 million, up 49% from 1983. *Savvy*'s advertising was $4 million, a 10% increase. The only ad revenue loss was shown by *World Tennis*, down 3% to $5.6 million. This was before Family Media purchased it from CBS Magazines.

The major personnel change in 1984 was the appointment of Martin Gitow as president of Family Media Communications, an acquisition and ancillary products division. Mr. Gitow formerly was vp of Publishers Clearing House. Family Media Communications is testing a mail order book operation.

Mr. Riordan owns a little less than 85% of the privately held company, with the remainder held by the estate of former publisher and founder Max Geffen and his associates.

Family Media's strategies for rescuing *World Tennis* and *Savvy* will be dictated by the reality that they are "each competing in a field where they are No. 2," Mr. Riordan says, "and the gap between No. 1 and No. 2 is currently enormous. If you can cut that gap in half, there's enormous profitability." He hopes to have *World Tennis*, which trails No. 1 *Tennis*, in the black by the end of this year, and *Savvy*, second to *Working Woman* in its field, profitable in 1986.

The two recent acquisitions mean the company "will be a little quiescent for a short term," Mr. Riordan says. In the meantime, Family Media has prepared new combination rates offering discounts up to 25% for advertising in two or more magazines. The company has opened a subscription fulfillment center in Palm Coast, Fla., leaving Charter Data Service, Des Moines, after it was purchased by Hearst Corp.

In addition, the company is co-financing with George Banta of Menasha, Wis., the startup of Digital Prepress Center, Yonkers, N.Y., an electronic prepress center for printing magazines and catalogs.

MEDIA PROPERTIES

Magazines

Health, 1,001 Home Ideas, Homeowner, Ladies' Home Journal, Savvy, World Tennis.

OTHER OPERATIONS

Family Media Communications, a subscription fulfillment center.

RANK

Forbes Inc. 92

New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	108	90	20.7
Total sales	139	112	23.6
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	108	90	20.7
Broadcast	0	0	0
Cable	0	0	0

For Forbes Inc., 1984 proved to be a big year. *Forbes* magazine entrenched itself as the third-highest among all magazines ranked by the Publishers Information Bureau in terms of ad pages, racked up a 30% increase in ad revenues, and raked in major journalism awards.

In addition, *Forbes'* colorful editor-in-chief Malcolm Forbes took flight again—in a widely publicized excursion across Egypt in a sphinx-shaped hot air balloon, and followed that up this year with a jaunt across Southeast Asia.

Forbes Inc., the nation's 92nd largest media company, up 21% from 1983, itself has been taking flight in the past five years, registering the largest gain in ad pages—1,193 between 1980 and 1984—among all PIB-ranked magazines. According to ADVERTISING AGE estimates, the company's media net revenues last year increased 21%, to $108.3 million, the basis of its ranking. Media revenues all come from the fortnightly magazine, whose circulation last year reached 725,727, up 0.8% over 1983.

Nonmedia revenues of an estimated $30.4 million come from such properties as the Sangre de Cristo Ranch in Colorado, the Forbes Investment Advisory Institute and an array of real estate holdings from New York to the Fiji Islands.

The recent success of the magazine is partly a reflection of increased interest in business and finance, communications director Don Garson says.

The magazine continues to appeal to advertisers with its "Capitalist tool" campaign, handled by Doremus & Co. There are also direct mailings to potential subscribers, though company spokesmen say there is little dissatisfaction regarding circulation levels. *Forbes* says annual household income for the average reader tops $124,000 and net worth more than $900,000.

The most appealing sales feature for the company may be the 65-year-old editor-in-chief. The sometimes-adventurer and art collector Malcolm Forbes inherited the magazine from his father, B.C. Forbes, who began *Forbes* in 1917. Malcolm Forbes is very much a hands-on executive, passing on most of the magazine's editorial copy and writing a regular up-front column, "Fact and Comment."

His adventures have been coming recently at a rate of about one a year. He followed up the Egypt foray with an excursion to Southeast Asia early this year, crossing Thailand, Malaysia and Singapore by motorcycle and hot air balloon, which this time was in the shape of an elephant. Though there is no direct connection between Mr. Forbes' exploits and the magazine, analysts agree that such publicity can only be good. "It certainly has a positive effect on the magazine," Mr. Garson says.

The biggest attention-getter of the year for *Forbes* is always its annual listing of the 400 richest people in the U.S. Malcolm Forbes was included in the list last year, but the magazine did not give its own estimate of his wealth. Estimates from other observers put his worth at nearly $200 million.

Forbes is clearly a family business. Three of Malcolm Forbes' sons are involved with *Forbes*, including Malcolm Forbes Jr., president, deputy editor-in-chief and author of the magazine's "Fact and Comment II," and Christopher Forbes, the associate publisher.

Despite its great advances last year, *Forbes'* ad revenues of $109.7 million still lagged behind those of its major competitors, *Business Week* and *Fortune*, though its 3,834 ad pages, up 12.7%, stayed ahead of *Fortune's* 3,486, up 7.4%. *Business Week*, the perennial ad page king, had total pages of 4,972, up 7.1%.

The magazine has pulled in several awards this year, including the American Society of Magazine Editors' "Ellie" award for magazine design and the UCLA Graduate School of Management's Gerald Loeb Award for two stories published in 1984.

MEDIA PROPERTIES

Magazines

Forbes, Forbes Investment Advisory Newsletter.

OTHER OPERATIONS

Forbes Investment Advisory Institute, New York; Forbes Magazine Gallery; Forbes Sangre de Cristo Ranch, Fort Garland, Colo.; Forbes Lake of the Ozarks resort, Warsaw, Mo.; various real estate holdings including Laucala Island in the Fiji Islands and art collection.

RANK

Freedom Newspapers 41

Santa Ana, Cal.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	272	225	21.0
Total sales	272	225	21.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	242	211	15.0
Magazine	0	0	0
Broadcast	30	14	109.8
Cable	0	0	0

With one full year of operation under its belt for its two newest properties, Freedom Newspapers' revenues, as estimated by ADVERTISING AGE, increased in 1984 to $272.1 million, ranking the Santa Ana, Cal.-based company the 41st largest in media revenue.

Revenues, up 21% from 1983's estimate, were all from media operations.

Early in 1984, Freedom, a privately held company owned by descendants of the late R.C. Hoiles, acquired ABC affiliate WTVC-TV, Chattanooga, Tenn., and CBS-affiliate KFDM-TV, Beaumont, Tex., from Dallas-based A.H. Belo Corp. The purchase price was $49 million. Both of the tv properties are top-ranked in their markets.

Of Freedom's four tv properties, only CBS-affiliate WLNE-TV in the Providence, R.I./New Bedford, Mass., market lags behind its competitors. Each of the others, including CBS-affiliate KTVL-TV in Medford-Klamath Falls, Ore., appears to be firmly in

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Freedom is a late entry in tv. The company's strength is newspapers, and the strongest of these is the *Register*, located in Santa Ana, Freedom's corporate headquarters. The *Register*, winner of a Pulitzer Prize for its photographic coverage of the 1984 Summer Olympics, serves the affluent Orange County suburban area south of Los Angeles.

The *Register's* circulation average for the six-month period ended March 31, 1985, was 291,619, up 4.4% from the corresponding year-earlier period, according to ABC audited statements. The Sunday *Register* increased circulation 4.8% to 326,038. The *Register* by the end of the year had stretched its lead over the Los Angeles Times in Orange County to 109,000 daily and 92,000 Sunday. While the *Register's* gains in Orange County mirrored its over-all gains, the *Times* lost circulation in the county.

As the *Register's* circulation increased, so did its advertising linage. The paper retained its position as first in the country in full-run color linage, and ranks No. 4 in full-run retail advertising and No. 6 in full-run total advertising.

Thirty-two community editions, blanketing the county with zoned advertising capability and local news coverage, have given the *Register* total market coverage. The community editions are mailed to more than 300,000 households each week. On Tuesdays, they are inserted in the *Register*.

Freedom owns 29 dailies and three weeklies in 11 states with a total circulation of 880,000. The company has no immediate plans for further acquisitions, either of broadcast properties or newspapers, although Michael Maloney, administrative assistant to the president, says Freedom is always on the lookout for property in the right market at the right price.

MEDIA PROPERTIES

Broadcasting

TV: KFDM, Beaumont, Tex.; KTVL, Medford, Ore.; WLNE, New Bedford, Mass./Providence, R.I.; WTVC, Chattanooga, Tenn.

Newspapers (dailies)

CALIFORNIA: *Anaheim Bulletin, La Habra-Brea Daily Star-Progress, Marysville Appeal-Democrat, Porterville Recorder, Santa Ana Register, Turlock Daily Journal, Victorville Daily Press.* COLORADO: *Colorado Springs Gazette-Telegraph.* FLORIDA: Fort Walton Beach *Playground Daily News, Fort Pierce News Tribune, Panama City News-Herald.* INDIANA: *Crawfordsville Journal Review, Seymour Daily Tribune.* MISSISSIPPI: *Greenville Delta-Democrat Times.* NEBRASKA: *Columbus Telegram.* NEW MEXICO: *Clovis News Journal.* NORTH CAROLINA: *Burlington Times-News, Gastonia Gazette, Jacksonville Daily News, Kinston Daily Free Press, New Bern Sun-Journal.* OHIO: *Bucyrus Telegraph-Forum, Lima News.* SOUTH DAKOTA: *Huron Daily Plainsman.* TEXAS: *Brownsville Herald, Harlingen Valley Morning Star, McAllen Monitor, Odessa American, Pampa Daily News.*

Newspapers (nondailies)

ALABAMA: *Dothan Progress.* Three weeklies, Dothan, Alabama. 28 shoppers, Community Press Newspapers, Denver.

Gannett Co. RANK 6

Rochester, N.Y.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	1,960	1,671	17.3
Total sales	1,960	1,703	15.1
Net income	224	192	16.9
Sales per medium			
Newspaper	1,530	1,327	15.3
Magazine	0	0	0
Broadcast	234	193	20.7
Cable	0	0	0

Gannett Co., Rochester, N.Y., which outbid a host of other top media companies to buy the Des Moines Register & Tribune Co.'s newspaper properties in early 1985, is the country's 6th largest media company with media revenues of $1.96 billion in 1984, a 17.3% increase over 1983 media revenue.

Throughout 1984 and early 1985 the company grew through acquisition. In 1984, the company purchased KKBQ (am, fm) in Houston for $35 million and WDAE in Tampa-St. Petersburg, Fla. Then during January, 1985, Gannett got the highly contested newspapers of the Des Moines Register & Tribune Co., paying $200 million. Dow Jones & Co., Ingersoll Publications, Ackerley Communications, and Washington Post Co. were among the bidders.

Newspapers included in the transaction were: The *Des Moines* (Ia.) *Register & Tribune*, which at the March 31, 1985, ABC reporting period had daily circulation of 235,231, down 1.3% from the prior year, and Sunday circulation of 384,604, down only slightly; and the *Jackson* (Tenn.) *Sun*, with daily circulation of 36,902, up slightly over the previous year, and Sunday circulation of 37,641, even with the previous year.

Also acquired in the deal was Triangle Sign Co., Chicago, with more than 900 outdoor advertising structures in the Chicago area.

Gannett's acquisition with the broadest coverage to date, however, is that of *Family Weekly* with a weekend circulation of 12.8 million, through its distribution by 363 newspapers. Gannett agreed to buy *Family Weekly* from CBS Magazines in early 1985 for $42.5 million. The newspaper-distributed magazine had a poor 1984, dropping 11.2% in total advertising pages to 693, and declining 10.4% in total ad dollars to $87.1 million, according to Publishers Information Bureau.

At an analysts meeting this past February, Gannett chairman Allen H. Neuharth reportedly said the company will be pursuing its strategy to acquire more regional newspapers in 1985 and is eyeing more broadcast properties as well, in an effort to "broaden our media mix."

At the company's annual meeting in May, 1985, Gannett took steps to avoid becoming another takeover target when shareholders approved two proposals designed to make a takoever more difficult. The two proposals included a fair-price amendment, which requires that all stockholders be offered the same price for shares in a tender offer, and an amendment providing staggered terms for members of the board of directors.

Newspaper revenues in 1984 were $1.53 billion, up 15.4% from the previous year, and represented more than 75% of total company revenues. With the acquisitions, Gannett's paid daily circulation is about 5 million.

USA Today, the company flagship newspaper, continued to make news. The national publication's daily circulation of 1,162,606, according to ABC audits, makes it the third largest newspaper in the country behind the *Wall Street Journal* and *Daily News* in New York. That figure, however, should decline with the rise in the newsstand price of the publication from 35¢ to 50¢. A decline was recorded by the national daily when its newsstand cost went from 25¢ to 35¢ early in 1984.

Last June, the company named *USA Today's* president, Cathleen Black, to publisher, following word that John Heselden would retire as publisher in April.

Early last year, Gannett announced that it was putting together a task force to look into the feasibility of developing a system for satellite transmission of *USA Today* to a printing plant in Japan for printing and distribution of the newspaper. At the same time, Gannett Co. is considering a Pacific edition of the newspaper designed to appeal to U.S. expatriates. Also, last July, Gannett began a test distribution of *USA Today* in Europe and the Middle East. The international edition was scaled down to two sections.

While the newspaper is spreading its pages internationally, it continues to face circulation problems at home. In March, 1985, the ABC audit showed *USA Today* circulation had declined 9.5% to 1,162,606 copies from the similar reporting period a year earlier. The loss, in part, was attributed to the increased newstand price.

Advertising picked up at *USA Today* in 1984. The paper averaged seven ad pages the first half of 1984, but moved up to 11 pages daily in the second half, reaching a peak of 16.5 in the Nov. 12, 1985, issue. *USA Today* will debut in an electronic form in mid-December, with the introduction of *USA Today* Update, an electronic text service that will be accessible through personal computers and distributed via electronic mail and office automation systems. The service will provide information, updated hourly, drawn from Gannett media properties and news services.

In other *USA Today* news, Young & Rubicam resigned last July the Gannett Co. corporate and *USA Today* consumer ad accounts after spending levels for the newspaper fell 75% and the agency lost the paper's trade ad account. In midyear, Gannett announced plans to relocate to the Washington area by the middle of 1986. *USA Today* is based in Rosslyn, Va.

Commenting on the move, Mr. Neuharth says the company's growing national scope created the need to concentrate key corporate activities in Washington. By the time of the move, the company will have been based in Rochester, N.Y., for 66 years.

Gannett's Broadcasting Group, made up of six tv stations and 14 radio stations, increased revenue 21% to $232.7 million in 1984, or 11.9% of total company revenues. The new radio acquisitions essentially replace stations WWWE and WDOK-FM, Cleveland, which Gannett has agreed to sell to Lake Erie Radio Co.

During 1984, the company joined with four other broadcasting groups in an effort to improve and develop new programing. To service the company's six tv stations, Gannett unveiled its tv Flying Squad, a team of reporters and crew that provide individual coverage of major events.

In other developments, Gannett

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THE GLOBE and MAIL (TORONTO)
THE GRAND RAPIDS PRESS
HOUSTON CHRONICLE
JACKSON CITIZEN PATRIOT
KALAMAZOO GAZETTE
THE KANSAS CITY STAR
LANSING STATE JOURNAL
THE LIMA NEWS
MEMPHIS COMMERCIAL APPEAL
THE MUSKEGON CHRONICLE
THE OAKLAND PRESS
THE PITTSBURGH PRESS/PITTSBURGH NEWS GAZETTE
THE RICHMOND TIMES DISPATCH
ROCKY MOUNTAIN NEWS
ST. PETERSBURG TIMES & EVENING INDEPENDENT
SAN ANTONIO LIGHT
SCRANTON TIMES
THE WASHINGTON POST
WATERTOWN DAILY TIMES
WEST VIRGINIA DAILY NEWS
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Electronic Media
Modern Healthcare
Pensions & Investment Age
Rubber & Plastics News
City & State
Washington Journalism Review

Broadcasting Group filed for and received approval to use the basic call sign ULSA. In March, 1984, Gannett's KBTV in Denver, an ABC-affiliate, switched call letters to KUSA-TV.

Gannett Outdoor Group contributed 1984 total revenue of $199.5 million, up 8.1% from 1983, accounting for 10.2% of total revenue.

MEDIA PROPERTIES

Broadcasting

TV: KOCO, Oklahoma City, KPNX, Phoenix; KUSA, Denver; WLVI, Boston; WTCN, Minneapolis-St. Paul, WXIA, Atlanta.

RADIO: KIIS (am, fm), Los Angeles; KKBQ (am, fm), Houston, KSDO (am, fm), San Diego; KUSA (am) and KSD (fm), St. Louis, WDAE (am), St. Petersburg-Tampa and WIQI (fm), Tampa, Fla.; WGCI (am, fm), Chicago; WLQV (am) and WCZY (fm), Detroit.

Newspaper-distributed magazines

Family Weekly, New York.

Newspapers (dailies)

NATIONAL—*USA Today*, Washington.

LOCAL—ARIZONA: *Tucson Citizen*. CALIFORNIA: *Independent Journal*, Marin County, *Salinas Californian, San Bernardino Sun, Stockton Record, Visalia Times-Delta*. COLORADO: *Fort Collins Coloradoan*. CONNECTICUT: *Norwich Bulletin*. DELAWARE: *Wilmington Morning News, Wilmington Evening Journal*. FLORIDA: *Cocoa Today, Fort Myers News-Press, Pensacola Journal, Pensacola News Journal*. GEORGIA: *Gainesville Times*. GUAM: *Pacific Daily News*, Agana. HAWAII: *Honolulu Star-Bulletin, Honolulu Star-Bulletin & Advertiser*. IDAHO: *Idaho Statesman*, Boise. ILLINOIS: *Danville Commercial-News, Rockford Register Star*. INDIANA: *Lafayette Journal and Courier, Marion Chronicle-Tribune, Richmond Palladium-Item*. IOWA: *Des Moines Register, Iowa City Press-Citizen*. KANSAS: *Coffeyville Journal*. LOUISIANA: *Monroe News-Star-World, Shreveport Times*. MICHIGAN: *Battle Creek Enquirer, Lansing State Journal, Port Huron Times Herald, Sturgis Journal*. MINNESOTA: *St. Cloud Daily Times*. MISSISSIPPI: *Hattiesburg American, Jackson Clarion-Ledger, Jackson Daily News*. MISSOURI: *Springfield Daily News, Springfield Leader and Press*. NEBRASKA: *Fremont Tribune*. NEVADA: *Reno Gazette, Reno Journal*. NEW JERSEY: *Bridgewater Courier-News, Camden Courier-Post*. NEW MEXICO: *New Mexican*, Santa Fe. NEW YORK: *Binghamton Evening Press, Binghamton Sun-Bulletin, Elmira Star-Gazette, Ithaca Journal, El Diario-La Prensa*, New York, *Niagara Gazette, Poughkeepsie Journal, Rochester Democrat and Chronicle, Rochester Times-Union, Saratogian*, Saratoga Springs, *Utica Daily Press, Utica Observer-Dispatch*. Westchester Rockland Newspapers—*Mamaroneck Daily Times, Mount Vernon Daily Argus, New Rochelle Standard Star, Nyack-Rockland Journal News, Ossining Citizen-Register, Port Chester Daily Item, Tarrytown Daily News, White Plains Reporter-Dispatch, Yonkers Herald Statesman*. OHIO: *Chillicothe Gazette, Cincinnati Enquirer, Fremont News-Messenger, Marietta Times, Port Clinton News Herald*. OKLAHOMA: *Muskogee Daily Phoenix, Times-Democrat*. OREGON: *Salem Statesman-Journal*. PENNSYLVANIA: *Chambersburg Public Opinion, Lansdale Reporter, New Kensington Valley News Dispatch*. SOUTH DAKOTA: *Sioux Falls Argus Leader*. TENNESSEE: *Jackson Sun, Knoxville Journal, Nashville Tennessean*. TEXAS: *El Paso Times*. VERMONT: *Burlington Free Press*. VIRGINIA: *Huntington Herald-Dispatch*. VIRGIN ISLANDS: *St. Thomas Daily News*. WASHINGTON: *Bellingham Herald, Olympian*, Olympia. WEST VIRGINIA: *Huntington Herald-Dispatch*. WISCONSIN: *Green Bay Press-Gazette, Wausau Daily Herald*.

Newspapers (nondailies)

CONNECTICUT: *Norwalk Fairpress; Journal-Transcript, Community*, Norwich. FLORIDA: *Tribune, Cocoa Times, Longwood Seminole Citizen News, Melbourne Tribune, Titusville Star-Advocate*. GEORGIA: *The Extra Poultry & Egg Marketing, Poultry Times Topics*, all in Gainesville. MISSISSIPPI: *Clinton News, Gautier Independent, Madison County Herald*, Canton, *Ocean Spring Record, Petal Journal*. NEW JERSEY: Suburban Newspaper Group (10 weeklies in Cherry Hill), *Salem Sampler*. NEW YORK: *Mount Vernon Review Press-Reporter, Commercial News*, Saratoga Springs. PENNSYLVANIA: *Butler County News, Zelienople, Lansdale Extra, North Hills News Record*, Pittsburgh, *Sharpsburg Herald, Town & Country*, Pennsburg. VIRGINIA: *Pennywhistle Press*, Arlington.

Outdoor

Gannett Outdoor Advertising Group; MEDIACOM (Canada).

Other media properties

Gannett Newspaper Advertising Sales, Gannett Media Sales, Gannett News Service, Gannett Satellite Information Network, Gannett Productions, MacNeil-Lehrer-Gannett Productions, Newscope, America Today, Louis Harris & Associates Research, Gannett Offset, PIA Merchandising, TENCON sign manufacturing.

GFV Communications

RANK **48**

Livonia, Mich.

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	246	182	35.0
Total sales	246	182	35.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	246	182	35.0
Magazine	0	0	0
Broadcast	0	0	0
Cable	0	0	0

Intense competition in the free-standing inserts marketplace has proved healthy for Livonia, Mich.-based GFV Communications, which reported an increase of 35% in revenues in 1984, all in media.

The privately held company, the largest producer of free-standing inserts in the U.S., ranked as the 48th largest media company in 1984 with revenues of $246 million. Earnings were not available.

Formed in 1969 as George F. Valassis & Co., the company has grown and diversified into a marketer, printer and distributor of Valassis Inserts—full-color multipage Sunday newspaper supplements containing cents-off and direct-response coupons.

The company also has printing, promotion and promotion security subsidiaries. GFV recently expanded its operations by acquiring the JAMI Group, a leading list management and media services company in Fort Lee, N.J.

The acquisition was completed in September, 1984, for an undisclosed price and will give Valassis Inserts "greater penetration in the markets," furthering the company's expansion strategy of growth through acquisition, says David Brandon, exec vp-coo, GFV Communications.

Valassis Inserts reaches more than 46 million households in the U.S. with the consumer-oriented coupons. The coupons are from more than 300 clients, about 75% of which are *Fortune* 500 package good companies, a company spokeswoman says. The traditional GFV client presents artwork or film for printing and distribution by GFV. GFV offers a design service for clients needing that assistance.

The inserts are 99% distributed through more than 250 ABC-audited Sunday newspapers and are direct-mailed to Los Angeles, Atlanta, Denver and Dallas to supplement newspaper penetration.

Although the past focus of the inserts has been on grocery items, the company has moved into additional areas including health and beauty aids, small appliances and lawncare products, where couponing has been minimal in the past, the spokeswoman says.

The company spent about $500,000 in 1984 in print advertising to promote its inserts.

GFV stirred up controversy with an April, 1984, ad for Valassis Inserts, which used a picture of what the company called "generic religious symbols." Accompanying copy asked, "What do over 44 million American women do religiously on Sunday mornings?"

The answer, which was to "Read Valassis Impact Inserts," was clouded by letters from angry readers deploring the use of religion in humor. Others complained it pointed at a particular faith.

GFV withdrew the offending ad, which was created to "draw differences between us and competitors," Mr. Brandon says. "We're not in the business of being controversial. We didn't expect that reaction."

Mr. Brandon says Valassis Inserts and subsidiaries will establish themselves as individual businesses in 1985 as growth by acquisition slows in order to keep the company manageable.

"I would call 1985 a year to do what we do best," Mr. Brandon says. "We want to exploit the fact that we're industry leaders." A 25% to 30% growth in sales is projected for this year.

The company has more than 700 employes spread across the country, and publishes inserts 26 times a year, with more than 1 billion inserts printed and distributed annually.

MEDIA PROPERTIES

Valassis Inserts and Promotion Watch Inc., both of Farmington Hills, Mich.; JAMI Inc., Fort Lee, N.J.; Valassis Printing, Livonia, Mich.; Thomas C. Lane Publishing, Durham, N.C.; Valassis Color Graphics, Wichita, Kan.

Harcourt Brace Jovanovich

RANK **83**

New York

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	119	101	17.8
Total sales	712.5	649	9.8
Net income	81	61	32.8
Sales per medium			
Newspaper	0	0	0
Magazine	103	85	20.9
Broadcast	16	16	2.5
Cable	0	0	0

Harcourt Brace Jovanovich, New York City, whose media contributions consist largely of its trade publications, was the 83rd largest media company in 1984 with media revenues of $119.4 million, up 18% from 1983.

The media properties, contained in the HBJ Communications and Services group, represent 16.8% of total revenues at HBJ of $712.5 million, up 9.8% from 1983.

HBJ received most of its revenues—51% or $364.2 million—from publishing of elementary and secondary education and university and professional education materials. HBJ also includes graphic materials, executive counseling, insurance and Sea World Enterprises Inc.—areas of business not included in the media totals for this report.

The Harcourt Brace Jovanovich empire, comprised of decentralized operations in Orlando, San Diego, Cleveland, San Antonio and Austin in addition to the New York headquarters, had earnings in 1984 of $34.5 million, the highest in the company's history and a 25.5% increase over the previous year. The HBJ Communications & Services unit, which includes the trade magazines and a modest amount for book club activity, was highly profitable, its revenues (16.7% of the company total) generating 24.3% of the company's total operating income.

HBJ Communications & Services includes 132 magazines and newsletters. HBJ also owns two vhf tv stations, both ABC affiliates, located in Duluth and Hibbing, Minn. Their totals are not included in the HBJ Communications & Services. However, their contribution to company revenues in 1984 was an estimated $16.3 million, up 3.5% from 1983.

Most of the business magazines and directories under the HBJ umbrella are "controlled circulation" publications. Distributed free to professionals, manufacturers and product dealers, the periodicals are supported by advertising.

HBJ publications cover beverage, concrete, dentistry, energy, food handling, housewares, meat processing, medicine, packaging, plastics, telecommunications, tourism, toys, vending machines and other fields. In many industries, the company also publishes newsletters.

Revenues from the periodicals increased 19% to about $119 million, and according to HBJ management, the increase was the result of more ad pages and higher ad rates.

In a transaction involving 244,126 shares of its common stock, the company acquired Industry Media Inc. and Davies Publishing Co. The March, 1984, acquisitions added seven periodicals devoted to the plastics industry and a magazine for the meat industry to HBJ's publications roster.

Another stock transaction, involving 39,309 shares, enabled HBJ to acquire Pit & Quarry Publications, publisher of magazines for the nonmetallic and concrete industries. These acquisitions bolstered HBJ's revenue potential.

Also contributing to revenues will be the leisure industry publications acquired in January, 1985, from Hester Communications. In this transaction, the company issued 160,000 shares of its common stock.

Magazines gained from the Hester acquisition include *Bicycle Dealer Showcase, Motorcycle Dealer News, Spa and Sauna Trade Journal, Flotation Sleep Industry* and *Video Store* as well as four annual buyers' guides, an after-market yearbook for the motorcycle industry and a fortnightly newsletter in the video field.

"The Hester Communications properties," says Robert L. Edgell, chairman of HBJ Communications & Services, "give HBJ Publications a strong position in what I'll describe as the 'leisure' industry."

As an outgrowth of its many publications, HBJ Communications produces or sponsors 26 trade shows. There are plans for a lawncare industry show later this year and HBJ is exploring a show for the frozen-food industry. Similarly, the acquisition of the Hester Communications properties included exposition opportunities.

The basic business of Harcourt Brace Jovanovich is publishing—textbooks and other related instructional materials. It is from this foundation that other HBJ enterprises have evolved. The three Sea World marine parks—a fourth in Texas is in the planning stage—provide instructional entertainment while purveying food and merchandise.

HBJ Insurance was an outgrowth of the magazine publishing business, which began with farm magazines in several midwestern states. The company sells life, health and accident policies to farmers in Ohio, Michigan, Indiana, Kansas, Missouri, Pennsylvania, Nebraska and Colorado. At the end of 1984, life insurance in force totaled $805 million, and profits had increased by 30%.

The past year saw the company's directors create an Employee Stock Ownership Plan: The net effect will be that employes become, at no cost to themselves, company shareholders and HBJ is provided with needed cash. This is made possible by an excess of assets in the pension plan of some $50 million and federal statutes that permit the ESOP to borrow the amount at low interest rates.

MEDIA PROPERTIES

Broadcast

TV: WDIO, Duluth; WIRT, Hibbing, Minn.

Magazines

COMMUNICATIONS: *Communications News, Telco Craftsman, Telephone Engineer & Management, Telephone Engineer & Management Directory, Telephone Engineer & Management Fast Action Postcards*. EDUCATION: *Instructor, Instructor Action Cards, Instructor Books, Instructor Computer Director for Schools, Instructor Education Service*. ENERGY: *Brown's Directory of North American and International Gas Companies, Drilling, L-P Gas, Petroleum Engineer International, Pipeline & Gas Journal, Practical Guide to LP Gas Utilization, SGA Directory*. FARM: *Colorado Rancher & Farmer, Kansas Farmer, Michigan Farmer, Missouri Ruralist, Nebraska Farmer, Ohio Farmer, Pennsylvania Farmer*. FOOD SERVICE & PROCESSING: *Food Plant Ideas, Food Plant Ideas Postcards, Idea File, Quick Frozen Foods, Quick Frozen Food Directory of Frozen Food Processors*. HEALTHCARE: *Dental Laboratory Review, Dental Laboratory Review Buyer's Guide, Dental Management, Dermatology Times, Geriatrics, Hearing Instruments, Hospital Formulary, Modern Medicine, Neurology, Ophthalmology Times, Optometry Times, Physician's Management, Urology Times*. INDUSTRY: *Beverage Industry, Beverage Industry Annual Manual, Beverage Industry Show Daily, Candy Industry, Candy Industry Buying Guide, Candy Marketer, Cosmetic Insiders Report, Dairy Field, Dairy Field Buying Guide, Drug & Cosmetic Catalog, Drug & Cosmetic Industry, Food & Drug Packaging, Food & Drug Packaging Postcards, Quick Frozen Foods, Quick Frozen Foods Directory of Frozen Food Processors, Snack Food*. MANUFACTURING, DISTRIBUTION & SERVICE: *American Automatic Merchandiser, American Automatic Merchandiser Bluebook, CPI 100 (Chemical Processing Industry), Food Sanitation, HBJ Restaurant Show Daily, International Turfgrass Show Daily, Lawn Care Industry, Lawn Care Industry Show Daily, Pest Control, Pest Control Show Daily, Roof Design Handbook of Commercial Roofing Systems, RSI (Roofing/Siding/Insulation), RSI Extra, Weeds, Trees & Turf*. MERCHANDISING: *Body Fashions/Intimate Apparel, Body Fashions/Intimate Apparel Directory, Body Fashions/Intimate Apparel International Edition, Body Fashions/Intimate Apparel Market Maker, Flooring, Flooring NEOCON Market Shopper, Gourmet Today, Home & Auto, Home & Auto APAA Show Daily, Home & Auto Buyer's Guide, Hosiery & Underwear, Housewares, Housewares Show Stopper, Pets/Supplies/Marketing*. PAPER: *European Board Markets, International Container Directory, Official Board Markets, Official Container Directory, Paperboard Packaging, Paper Sales, Convention News, Paper Year Book*. RECREATION AND LEISURE: *Bicycle Dealer Showcase, Flotation Sleep Industry, Flotation Sleep Industry Buyer's Guide, Motorcycle Dealernews, Motorcycle Dealernews Buyers Guide, Motorcycle Dealernews International Aftermarketing Magazine, Spa & Sauna Trade Journal, Spa & Sauna Trade Journal Buyers Guide, Video Store, Video Store Report*. TRAVEL & LODGING: *Corporate Meetings & Incentives, Corporate Meetings & Incentives Action Cards, Directory of Incentive Travel International, Hotel & Motel Management Quick Order Product Postcards, Hotel & Motel Management Show Daily*. GRIDLEY PUBLICATIONS: DVM, *Newsmagazine of Veterinary Medicine*. DAVIES PUBLICATIONS: *Meat Processing, Meat Processing Product Order Cards, Meat Processing Show Dailies*. INDUSTRY MEDIA INC: *Plastics Compounding, Plastic Compounding Postcards, Plastics Compounding Redbook, Plastics Design Forum, Plastics Focus, Plastics Machinery & Equipment, Plastics Machinery & Equipment Postcards*. PIT & QUARRY: *Concrete, Concrete Industry Yearbook, Pit & Quarry, Pit & Quarry Cement Plant Glossary, Pit & Quarry Handbook*.

Newsletters

Homeowners Advisory Letter, Investing in Real Estate, Jack Anderson's Washington Letter, Real Estate Investing Letter.

OTHER OPERATIONS

Book clubs, book publishing, instructional materials, insurance, management consulting, Sea World Enterprises, trade shows.

Harte-Hanks Communications

RANK **25**

San Antonio, Tex.

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	338	332	1.7
Total sales	500	444	12.7
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	267	238	11.8
Magazine			
Broadcast	84	84	0
Cable	20	9	124.7

Harte-Hanks Communications, which went public 12 years ago and returned to a private company in 1984, had total revenues estimated at $500 million, all in media, to rank as the 25th largest media company.

The San Antonio-based company, with media contributions from newspapers, magazine, cable/video and broadcasting, went private in a leveraged buyout in June, 1984. In the $450 million buyout, a small group of officers and directors acquired the nearly 60% of the company's stock they did not already own.

Not long after the company gained shareholder approval for the leveraged buyout, Harte-Hanks agreed to sell the nine stations in its radio group. Seven of the stations were sold to a new company formed by Gary D. Edens, former president of Harte-Hanks' radio division. The stations acquired by the Edens' group include KOY and KQYT (fm), Phoenix, Ariz.; WRBQ (am, fm) in Tampa-St. Petersburg, Fla.; WRVA and WRVQ (fm), Richmond, Va., and WSGN in Birmingham, Ala.

The other two, KKBQ (am, fm) in Houston, were sold to Gannett Co. for $35 million. Larry D. Franklin, Harte-Hanks exec vp, says the radio properties have contributed $30 million annually to the company's revenues.

Harte-Hanks, which began as a newspaper publisher, continues to be dominated by that business. The company publishes 27 daily and 75 nondaily newspapers and advertising publications produced by the newspapers. Although its newspaper activity in terms of acquisitions has been limited in the past year, the company did add two weeklies to complement its daily newspaper, the *Middlesex News*, in the Framingham, Mass., market. The new acquisitions, *Sudbury Town Crier* and *Wayland-Weston Town Crier* have a combined circulation of just under 10,000.

That perhaps is an indication of Harte-Hanks' willingness to attain maximum coverage and penetration in the markets in the 29 states where the company operates.

The company's largest newspaper is the 60,000 circulation *Caller-Times* in Corpus Christi, Tex.

Around Framingham, *Extra*, a news and advertising zoned-supplement, is distributed on Friday and Saturday to 136,000 households in 26 communities. Of the total distribution, 92,000 copies are bulk-mailed and 44,000 are carrier-delivered. The News carries the nonmailed editions in most of its circulation of 48,774 daily.

In the Los Angeles area, Harte-Hanks' *Pennysaver*, delivered by direct mail, has a circulation of 1.9 million and an estimated readership of 4 million. The publication claims 94% penetration in the areas it covers.

Since the radio properties have been sold, Harte-Hanks broadcast business consists of four vhf tv stations in San Antonio; Greensboro-High Point, N.C.; Jacksonville, Fla., and Springfield, Mo., and several cable systems.

When executives of Harte-Hanks determined to take the company public in 1972, it was for the announced intention of expanding from its relatively small stable of Texas newspapers into other media opportunities, including broadcasting and cable systems. By being public, the company raised cash to pay for such acquisitions.

The company continues to pursue opportunities in cable. In 1984, Harte-Hanks increased its number of cable subscribers to 140,000 by exercising its option to acquire two existing systems.

Ultra-Com Inc., a Montgomeryville, Pa., company, was acquired for an estimated $75 million. This acquisition added about 75,000 basic cable subscribers in New Jersey, Ohio, Tennessee, Oklahoma, Florida and Pennsylvania.

Another 25,000 subscribers were added with the acquisition of Jim E. Smith Inc., a cable company Harte-Hanks had managed in southeastern Arizona. The purchase price was estimated at $25 million. With these systems added to previous Harte-Hanks cable systems in Colorado, Arizona and Texas, cable revenues in 1985 are likely to contribute substantially more than the estimated 4% in 1984.

Newspapers, vhf tv and cable are just a part of the Harte-Hanks communications empire. The company owns and operates seven marketing services companies and 25 direct mail systems, which can offer advertisers direct mail programs reaching 96% of U.S. households. The company has seven alternate delivery systems, which can reach more than 1.5 million households via hand delivery. Harte-Hanks also operates a nationwide trucking service specializing in delivery of advertising materials.

Harte-Hanks is a strong advocate of total market coverage. Harte-Hanks Direct Marketing is the industry leader, and few newspapers have been inclined to follow.

Indeed, some analysts have suggested that doubts about Harte-Hanks' direct marketing concept kept the stock depressed, and it was that which indirectly led to the leveraged buyout.

Harte-Hanks is determined to continue on the course charted by president-ceo Robert G. Marbut and other company officers.

Says Mr. Franklin: "Our primary thrust this year is a focus on customer service, asset management and employe productivity."

MEDIA PROPERTIES

Broadcasting

TV: KENS, San Antonio, Tex.; KYTV, Springfield, Mo.; WFMY, Greensboro/High Point, N.C.; WTLV, Jacksonville, Fla.

Cable/video

ARIZONA: Douglas, Payson, Williams (all Southwest Cablevision). COLORADO: Akron, Otis and Yuma (all National Telecommunications Services). TEXAS: Deer Park, Highlands, Katy, LaPorte, Northwest Harris County, Pasadena, South Houston and unincorporated areas of Waller, Fort Bend and Harris counties. (All Harte-Hanks Cable Communications.) Channel 24, San Antonio, a 24-hour cable "shoppers channel." Ultra-Com Inc. subscribers in FLORIDA: Bal Harbor, Bay Harbor Islands, Golden Beach, Miami Beach, Worth Bay Village, Metropolitan Dade County, Surfside, unincorporated areas in Dade county, South Miami, Okechobee, County of Okechobee, Glades County. GEORGIA: Rockmart, Aragon, Polk County. NEW JERSEY: Asbury Park, Ocean Township. NORTH CAROLINA: Elizabeth City, Pasquotank County. OHIO: Blanchester, Willington. OKLAHOMA: Grove, Okmulgee. PENNSYLVANIA: Marple Township, Haverford Township, Lansdale Borough, Hatboro, Horsham Township, Montgomery Township, North Wales Borough, Towamencin Township, Upper Dublin Township, Upper Gwynnedd Township. TENNESSEE: Gatlinburg, Pidgeon Forge, Sweetwater, Madisonville, Monroe County. Jim E. Smith Inc. subscribers in Arizona: Benson, Douglas, Fort Huachuca, Green Valley, Huachuca City, Payson, Santa Rita-Bel Air, Sierra Vista, Skyline, Sunsites, Tombstone, Willcox, Williams.

Newspapers (dailies)

ARKANSAS: *Malvern Daily Record, Russellville Courier-Democrat, Searcy Daily Citizen, Stuttgart Daily Leader*. GEORGIA: *Carrollton Daily Times-Georgian*. MASSACHUSETTS: *Middlesex News* in Framingham, *Sudbury Town Crier, Wayland-Weston Town Crier*. MICHIGAN: *Ypsilanti Press*. OHIO: *Hamilton Journal News*. SOUTH CAROLINA: *Anderson Independent-Mail*. TEXAS: *Abilene Reporter-News, Big Spring Herald, Bryan-College Station Eagle, Corpus Christi Caller* and *Times, Corsican Daily Sun, Del Rio News-Herald, Denison Herald, Greenville Herald Banner, Huntsville Item, Marshall News Messenger, Paris News, San Angelo Standard* and *Times*, Wichita Falls Record News and *Times*. WASHINGTON: *Yakima Herald-Republic*.

Newspapers (nondailies)

ARKANSAS: *Charleston Express, Dardanelle Post-Dispatch, Greenwood Democrat, Malvern Meteor Journal, Paris Express-Progress*. CALIFORNIA: *Coronado Journal, La Jolla Light, Sentinel, Star-News* (San Diego County). GEORGIA: *Bowdon Bulletin, Times-Advertiser* and *Dollar Saver* (both in Carrollton) *Douglas County Sentinel* and *Sentinel Super Saver*, (both Douglasville), *Haralson Gateway-Beacon* (Bremen, Buchanan and Tallapoosa), *Sweetwater News Enterprise* (Austell), *Tallapoosa Journal-Beacon*. OHIO: *Fairfield Echo, Edgewood This Week, Pulse Journal*. TENNESSEE: *Gatlinburg Press, Sevier County News Record* (Sevierville). NEW MEXICO: *Valencia County News Bulletin*. TEXAS: *Commerce Journal, Cooper Review, Lamar County Echo, Royse City Leader*. Harte-Hanks also publishes 56 community information publications, including nine shoppers.

OTHER OPERATIONS

Twenty-three direct mail systems, seven alternate delivery systems, seven research companies, a nationwide trucking service, commercial printing and computer services.

RANK 82

H&C Communications

Houston

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	132	90	46.2
Total sales	132	90	46.2
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	132	90	46.2
Cable	0	0	0

Since divesting itself of its only newspaper property, the *Houston Post*, in 1983, Houston-based H&C Communications turned its acquisition guns on tv and picked up a couple of properties in 1984 from Cowles Communications, Orlando, Fla.

H&C Communications is the 82nd largest media company, with revenues

Nouveau Reach
Daily
Rocky Mountain News 329,381
Denver Post 215,625
News Lead 113,756
Source: ABC Publisher's Statement for six months ending 3/31/85.
Sunday
385,807
Denver Post 345,097
News Lead 40,710
Source: ABC Publisher's Statement

The numbers are new and Denver's main course is still the Rocky Mountain News according to the latest ABC Publisher's Statement.

Our rich blend of desired demographics and market penetration is the specialty of the house.

Order Denver's seasoned leader. Rocky Mountain News. Call general advertising (303) 892-5304.

Rocky Mountain News

A SCRIPPS HOWARD NEWSPAPER REPRESENTED NATIONALLY BY STORY & KELLY-SMITH, INC.
ATLANTA • BOSTON • CHICAGO • DALLAS • DETROIT • LOS ANGELES • NEW YORK • PHILADELPHIA • SAN FRANCISCO

increasing 46.2% to an estimated $131.6 million in 1984. All revenues are attributed to media for the privately held company.

The two Cowles properties, NBC-affiliate WESH-TV in Daytona Beach-Orlando, Fla., and CBS-affiliate KCCI-TV in Des Monies, Ia., were purchased for a combined $182.6 million.

"The market in central Florida is very attractive," says Dan Thornburg, vice president-treasurer of H&C Communications. "Des Moines is a good property, but Florida is what we wanted. And Cowles didn't want to separate the two properties." John Heise, Midwest regional sales manager of Petry TV Sales, confirms that assessment of the central Florida market and WESH-TV.

"That is a very competitive market," Mr. Heise says, "and WESH just had a tremendous [ratings] book."

Florida Trends, in a recent discussion of the growth in the Southeast, points out that Floridians have more disposable income than ever before. As a consequence, Mr. Heise says, the amusements industry around Orlando is spending heavily on advertising.

Of KCCI-TV, the other acquisition from Cowles, Mr. Heise says, "It's a strong station, a leader in the marketplace." A.C. Nielsen Co. ranks Daytona Beach-Orlando as 31st among Areas of Dominant Influence and Des Moines 71st. ADVERTISING AGE estimates the two stations contributed a combined $30 million to H&C's 1984 revenues.

Acquisition of the two Cowles properties was made possible after H&C realized $100 million from the sale of the *Post* to the Toronto Sun Co.

H&C is a private holding company owned by Houston's Hobby and Catto family interests. Having made the decision a year ago to steer clear of newspapers, the company is likely to make any future acquisitions in broadcast.

H&C is entrenched in Houston with its ownership of KPRC-TV, and KPRC (am, fm). KPRC-TV, an NBC affiliate, is a solid second in the marketplace and has made significant inroads early in 1985 on the strength of a strong early newscast.

The two other H&C properties are in the country's 29th (Nashville, Tenn.) and 87th (Tucson, Ariz.) tv markets. Mr. Heise of Petry says the Nashville market is a two-horse race between H&C's WTVF, a CBS affiliate, and WSMV, the NBC affiliate. From a ratings and sales standpoint, 1984 was a good year in Nashville, but the economy has fallen off in 1985, and advertisers do not seem to be using the Nashville market as much.

In Tucson, KVOA-TV had a good first quarter in both sales and ratings numbers, and the CBS affiliate has been coming on strong. Its prime-time ratings have increased three points in the past year.

Last year, H&C sold WTOK-TV in Meridian, Miss., to Southeastmedia for an estimated $13.2 million. Previous FCC rules, limiting tv ownership to five vhf outlets, mandated that sale. The FCC liberalized its rules later in 1984, permitting ownership of up to 12 stations.

H&C's only print property is the *Washington Journalism Review*. Last spring, the company entered into a joint venture with Crain Communications Inc., parent company of ADVERTISING AGE, to handle advertising, circulation and provide some editorial support for *WJR*.

Distributed to communicators as well as government and corporate leaders, *WJR* in mid-1984 had a circulation of 22,066, of which 20,056 were subs and 2,010 were single sales, according to ABC figures. A change in strategy has shifted circulation numbers to a total of 28,106, with 8,091 nonpaid subs and 20,015 single sales. A campaign plans to convert to paid the 8,091 nonpaid copies.

MEDIA PROPERTIES

Broadcasting

TV: KCCI, Des Moines, Ia.; KPRC, Houston; KVOA, Tucson, Ariz.; WESH, Daytona Beach/Orlando, Fla.; WTOK, Meridian, Miss.; WTVF, Nashville.

RADIO: KPRC (am, fm), Houston.

Magazines

Washington Journalism Review, joint venture with Crain Communications Inc.

Hearst Corp.

New York

RANK 11

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	1,400	1,116	25.4
Total sales	N/A	N/A	N/A
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	687	548	25.4
Magazine	503	401	25.4
Broadcast	204	163	24.9
Cable	6	4	50 0

Hearst Corp., New York, is the nation's 11th largest media company, with 1984 revenues estimated by ADVERTISING AGE at $1.4 billion.

Hearst, an intensely private company, continued an acquistion binge begun six years ago that has, to date, seen the company founded by William Randoph Hearst spend more than $1 billion adding some 50 properties to its corporate stable.

In 1984, Hearst bought three daily newspapers from Jefferson-Pilot Corp., the 71,203 daily circulation *Beaumont Enterprise*, the 19,000 circulation *Laredo Morning Times* in Texas and the *Clearwater Sun*, daily circulation 32,868, in Florida. All three also publish Sunday newspapers.

Hearst also bought two Diversion Communications magazines—the monthly *Diversion* and every-other-monthly *Diversion Travel Planner*—that are leisure time publications aimed at physicians. Finally, Hearst bought the Disneyland Official Guide and the Walt Disney World Official Guide.

In May, 1985, Hearst agreed to purchase WCBV-TV, the Boston ABC affiliate, from Metromedia Inc. in a simultaneous transaction under which Austrialian publisher Rupert Murdoch acquired six other Metromedia tv stations. The price was $450 million.

In the cable tv/entertainment field, Hearst's joint venture with ABC and RCA, the Arts & Entertainment Network, was launched in February, 1984, and by year's end passed more than 12 million U.S. and Canadian homes. Also in February, Hearst launched Lifetime, a joint venture with ABC and Viacom International. Lifetime met its subscriber goals and was available in more than 23 million homes in the U.S. by year's end.

In a letter to employes, Hearst president-ceo Frank A. Bennack Jr. wrote that "most" of the company's 125-plus businesses improved performance over 1983.

In the magazine group, according to ABC statements of Dec. 31, 1984, and Publishers Information Bureau, in 1984:

Connoisseur's circulation was up 40.1% to 238,607, ad pages were up 17.1% to 702 and ad revenues were up 88% to $4.61 million; *Cosmopolitan's* circulation was down 7% to 2.82 million, ad pages were up 2% to 2,491 and ad revenues were up 17.3% to $95.14 million; *Good Housekeeping's* circulation was down 3.9% to 5.18 million, ad pages were down 3% to 2,031 and ad revenues were up 4.9% to $133.30 million; *Harper's Bazaar's* circulation was up 2.4% to 737,430, ad pages were up 17.3% to 1,823 and ad revenues were up 30.1% to $31.10 million.

House Beautiful's circulation was up 0.4% to 367,736, ad pages were up 3.6% to 1,139 and ad revenues were up 22.6% to $26.00 million; *Motor Boating & Sailing's* circulation was 142,162 (no figures were available for 1983 circulation), ad pages were up 16% to 1,891, but no revenue figures were available; *Popular Mechanics'* circulation rose 1% to 1.64 million, ad pages were down 3% to 1,150 and ad revenues were up 11.2% to $27.20 million; *Science Digest's* circulation was up 0.3% to 556,736, ad pages were down 11.4% to 379.3 and ad revenues were up 0.1% to $4.86 million; *Sports Afield's* circulation was down 4.9% to 518,010, ad pages were up 4.8% to 1,053 and ad revenues were up 11.9% to $12.80 million, and *Town & Country's* circulation was up 15% to 427,249, ad pages were up 4.9% to 1,903 and ad revenues were up 24.7% to $27.00 million.

Among Hearst's most recent acqusitions and startups, *Redbook*, acquired in 1982, lost 0.2% of its circulation, now about 4 million, but gained 7.1% in ad pages to 1,176 and gained 19.3% in ad revenues to $53 million. *Colonial Homes*, launched in 1979, gained 1% in circulation to 607,389, 7.6% in ad pages to 413 and 23.4% in ad revenues to $6.36 million. *Country Living*, launched in 1978, gained 27.7% in circulation to 1.32 million, 25.1% in ad pages to 796 and 71.5% in revenues to $15.90 million.

In Hearst Broadcasting Group, ABC's Olympic coverage boosted performance in the four Hearst stations that are ABC affiliates. "Our television stations in Pittsburgh, Baltimore and Kansas City maintained leadership positions in their marketplaces," Mr. Bennack says. "Our Milwaukee station . . . found 1984 somewhat more challenging, but our Dayton station has shown marked improvement. Our radio stations in Pittsburgh, Baltimore and San Juan performed well, with particular success this past year with WHTX-FM in Pittsburgh. However, our radio stations in Milwaukee are experiencing market difficulties."

The Cable Communications & Electronic Publishing Division, Mr. Bennack says, "experienced growth this year in all of its core businesses. While the acquistion market continues to be dominated by the largest multiple systems operators, the group continues to analyze potential candidates and intends to pursue the systems which most nearly meet our acquisition criteria."

Hearst's systems, all in California, posted their first full year of operation in 1984, ending the year with a total of 30,000 subcribers, an 11% increase over 1983. Renovation and rebuilding projects in Newark, Los Gatos and Milpitas systems resulted in a 17% gain in total basic and pay subscribers.

Acquisition of the Jefferson-Pilot publications provided the biggest news of 1984 for the newspaper group, although Hearst "does not plan to retain the Florida properties," according to Mr. Bennack. Total circulation of the Hearst papers is now more than 1.1 million daily and 2.1 million on Sunday.

The Capital Newspapers in Albany, N.Y., were among the best corporate performers in 1984, with circulation and classified ad gains reported at the *Times-Union* and *Sunday Times-Union*. The afternoon *Knickerbocker News* circulation was relatively stable, though it slipped slightly. Among Hearst's larger dailies, the *Baltimore News American*, which analysts believe is losing money, expanded its total market coverage program but scrapped a separate sports publication, called *Sports Afield*, in September, 1984, after it was deemed unable to reach circulation goals.

The Herald Community Papers in the Los Angeles market combined two dailies into one enlarged product and began a new marketing strategy for its 29 weeklies. The Herald Examiner in Los Angeles managed to stabilize a severe 1983 circulation slide. "Strategies continue to be explored for identifying a stronger niche for this paper in a very challenging and difficult market environment," Mr. Bennack reports.

The *San Antonio Light* saw increases in both daily and Sunday circulation and began operation of a new press line. The *San Francisco Examiner*, part of a joint operating agreement with the Chronicle, saw daily circulation soften slightly, but registered strong gains in classified advertising. William Randolph Hearst III, grandson of Hearst Corp.'s founder, took the operational reins at the *Examiner* as the paper's publisher in 1984.

The *Seattle Post-Intelligencer* saw moderate circulation gains as it completed its first year in a joint operating agreement with the *Seattle Times* in 1984.

MEDIA PROPERTIES

Broadcasting

TV: KMBC, Kansas City, Mo.; WBAL, Baltimore; WCBY, Boston; WDTN, Dayton, O.; WISN, Milwaukee; WTAE, Pittsburgh.

RADIO: WTAE (am) and WHTX (fm), Pittsburgh; WAPA (am), San Juan, Puerto Rico; WISN (am) and WLPX (fm), Milwaukee, and WBAL (am) and WIYY (fm), Baltimore.

Cable/video

Hearst Cablevision of California (roughly 30,000 subscribers in Milpitas, Newark and Santa Clara); Hearst/ABC Video Services, Hearst/ABC Viacom Entertainment Services and Hearst/ABC-RCTV (joint ventures in programing).

Magazines

Colonial Homes, Connoisseur, Cosmopolitan, Country Living, Diversion, Diversion Travel Planner, Good Housekeeping, Harper's Bazaar, House Beautiful, House Beautiful's First Home, Motor Boating & Sailing, Popular Mechanics, Redbook, Science Digest, Town & Country. Also, the Hearst Books/Business Publishing Group, which includes United Technical Publications, has more than 35 titles including: *American Druggist, Electronic Products, EEM-Electronic Engineers Master, I.C. Master, I.C. Update, Integrated Circuits, Motor, Today's Office, Office World News, Lens, Lens On Campus, Floor Covering Weekly, Industrial Machinery News, Black Book Guides.*

Newspapers (dailies)

CALIFORNIA: *Daily Southeast News* (Southeast Los Angeles), *Huntington Park Daily Signal, Los Angeles Herald Examiner, San Francisco Examiner*. FLORIDA: *Clearwater Sun*. ILLINOIS: *Edwardsville Intelligencer*. MARYLAND: *Baltimore News American*. MICHIGAN: *Huron Daily Tribune, Midland Daily News*. NEW YORK: *Albany Knickerbocker News, Albany Times-Union*. TEXAS: *Beaumont Enterprise, Laredo Morning News, Midland Reporter-Telegram, Plainview Daily Herald, San Antonio Light*. WASHINGTON: *Seattle Post-Intelligencer.*

Newspapers (nondailies)

29 weeklies in California, two in Michigan, one in Texas, nine in Florida.

OTHER OPERATIONS

Arts & Entertainment Network (joint venture with ABC and RCA), Arbor House Publishing, Avon Books, Cal Graphics, Communications Data Services, Disneyland Official Guide, Eastern News Distributors, Hearst Advertising Service, Hearst Broadcasting Productions, Hearst Metrotone News, Hearst Special News Service, International Circulation Distributors, King Features Entertainment, King Features Syndicate, Motor Books, Walt Disney World Official Guide, William Morrow & Co. (includes Hearst Books and Hearst Marine Books), Pejepscot Paper Division, Puck-The Comic Weekly, Reader Mail Inc., Arthur Schroeder Paper Co., Data Resources Division.

Houston Chronicle Publishing Co.

Houston

RANK 54

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	217	186	16.5
Total sales	217	186	16.5
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	217	186	16.5
Magazine	0	0	0
Broadcast	0	0	0
Cable	0	0	0

Houston Chronicle Publishing Co., Houston, the 54th largest media company, had 1984 revenues estimated by ADVERTISING AGE at $217 million, all from the company's only property, the *Houston Chronicle*. The 1984 total was up 16.5% from 1983's estimate.

Despite a drop in classified ad linage, the *Houston Chronicle* continued to be the city's leader in the classified ad market in 1984.

Although classified ad linage fell 2.6% to 3,995,880 ins. in 1984, the paper still retains 70% of the Houston classified market, according to Jack Sweeney, sales and marketing director. Mr. Sweeney says that in the past year the real estate industry and possibilities for employment are somewhat less robust than in prior years, affecting ad linage in those areas.

He also says classified ad rates were up in 1984 by 10% to 12% over 1983. Total retail ad linage increased about 13%, to 2,807,813 ins., according to Mr. Sweeney. He attributed this to increased retail activity, particularly an increase in the number of off-price shopping stores.

The retail advertising activity and Houston's continuance as the fourth largest market in the country for construction despite the contention that the Houston economy is declining, Mr. Sweeney says. While Mr. Sweeney concedes Houston has slipped from its phenomenal growth pattern of the late 1970s, he says the city has evolved into a more realistic and sustainable pattern of growth.

General circulation at the *Chronicle* also continues to grow. As of March 31, 1985, ABC six-month averages show the Monday through Friday circulation increased 1.4% to 433,380 compared to the same period a year earlier; and Sunday increased 1.1% to 536,585. This compares to the Toronto Sun Co.-owned *Houston Post*, with daily circulation of 326,556, down 18.7%, and 376,015 for Sunday, down 18.8% for the reporting period of Sept. 30, 1984, the last available data by ABC on the *Post*.

According to Mr. Sweeney, the *Chronicle* is "pleased with its advertising, circulation and role in the media mix in the Houston market." To retain its share of market, the *Chronicle* advertises its product extensively. Its ad budget is up about 10% over last year. *Chronicle* ads focus on the paper's extensive classified ads section.

Papers in Houston like other markets have felt the impact of the aggressive entry into their market by Gannett Co.'s *USA Today*. Last year the *Chronicle* redesigned its street boxes to project a more colorful image. And, according to Mr. Sweeney, *Chronicle* street sales are at an alltime high—thus pitting the paper directly against the Gannett product. Of the 433,380 daily circulation, 80,000 are from newsstands; of the 536,505 Sunday circulation, 138,000 are from newsstands, representing 8% and 8.6% increases, respectively, over the 1984.

"*USA Today* is basically a daily street sale product, but we are on the newsstands all day long—with five editions," Mr. Sweeney says.

In 1983, the Chronicle unsuccessfully tried street sales in Dallas. "In as much as the *Chronicle* is a regional paper serving Southeast Texas, it is not surprising that the *Chronicle* did not succeed in Dallas," Mr. Sweeney says. For the foreseeable future, he says, the *Chronicle's* distribution will remain targeted to a 100-mile radius of its home market.

In addition, he says, the balance between morning and afternoon distribution will remain at about the same 50-50 ratio.

"We're going to let the consumer tell us which way to go, if any new direction," Mr. Sweeney says. "Right now they can have it any way they want it."

Another 1984 innovation at the *Chronicle* was insertion of a local magazine into the national Sunday weekly, *Parade*. Mr. Sweeney says the concept has proved popular. He says the editors stress correlating the national and local publications. For example, when *Parade* runs its national "Policeman of the Year" issue, the local magazine also names and profiles a local "Policeman of the Year."

Another source the *Chronicle* integrates with its local coverage is news provided by the *Financial Times* of London. Four pages run every Monday in the business section. Mr. Sweeney says the international coverage from a highly respected overseas source has been very successful because of the internationalism of Houston's business community.

To win over and keep advertisers, the *Chronicle* emphasizes "tailored" market coverage, which involves working closely with advertisers and being able and willing to offer them "a lot of different services and print concepts for creative use of the paper," says a company spokesperson.

The *Chronicle* continues to publish five editions daily, which are available at newsstands.

MEDIA PROPERTIES

TEXAS: *Houston Chronicle.*

RANK

Howard Publications 68

Oceanside, Cal.

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	166	150	10.7
Total sales	166	150	10.7
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	139	129	7.8
Magazine	0	0	0
Broadcast	16	14	14.3
Cable	11	7	57.1

Howard Publications, Oceanside, Cal., which has diversified into the oil and gas business, is the 68th largest media company in the U.S. with revenues estimated by ADVERTISING AGE of $166 million, up 10.7% from the 1983 estimate. Privatelyheld Howard, with the exception of its newly formed energy-oriented subsidiary, is wholly media.

The company derives its media income from 19 daily newspapers, the CBS-TV affiliate in Buffalo, N.Y., and cable tv systems in California and Wyoming.

There was relatively little change on the media front during 1984 at Howard Publications, whose founder and owner Robert S. Howard, says many of the company holdings are "in a construction mode," with physical plant facilities being upgraded across the board.

The company followed up its expansion in cable tv, which added some half-dozen new franchises to its California properties in 1983, with the start of badly needed refurbishing of some of the older systems.

Concurrent with the addition of new transmission equipment and administrative procedures was the company's launch of an aggressive tv and newspaper marketing effort to exploit the improvements and add cable subscriptions.

As a result, Howard's Los Angeles-based Falcon Communications posted substantial gains in its subscriber numbers, now up to 110,000 basic users from the 71,000 reported in 1983. Ad revenues from the company's cable operations are still at modest levels, but remain a potential growth area that Howard Publications has indicated it will continue to pursue in the Los Angeles market.

Falcon Communications is 80% owned by Howard and Donrey Media Group, Fort Smith, Ark. Howard's California franchises in the Los Angeles metropolitan area are Pasadena (now undergoing reconstruction), Montebello, Monterey Park, Temple City, San Gabriel, West Covina, Norco, Walnut, Riverside and some areas of Los Angeles, including unincorporated Altadena. The Howard-Donrey partnership also owns Overthrust Cable TV in Evanston, Wyo.

After the mergers and consolidation of some of its newspaper properties in 1983, the company experienced "a healthy year in print media," with increased 1984 revenues "although our newspaper ad linage figures were flat," Mr. Howard, ceo-president, says. Looking into 1985 and beyond, he says, "We expect to record some gains, but nothing exceptional."

The company operates newspapers in the medium-size range, led by the evening daily *Hammond* (Ind.) *Times* with circulation of 68,466, down 1%. Its Sunday paper with circulation of 76,401, was slightly-off the 1984 pace, according to ABC audited statements comparing six-month averages pulled March 31, 1985, with the similar period in 1984.

Like the *Hammond Times*, two other major contributors to Howard suffered small circulation losses: The *Sioux City* (Ia.) *Journal* had a circulation of 55,077 for its morning paper, down 2.1%, and 48,456 for the Sunday paper, down 5.1%; the *Waterloo* (Ia.) *Courier* had 50,974 circulation for its evening paper, down 2.7, and 54,609 for Sunday, off 1.2%; Casper, Wyo. *Star-Tribune's* morning paper circulation of 36,413 was off 3.3%, and its Sunday paper circulation of 39,294 was down 1%.

The company's major circulation gainer was the *Oceanside* (Cal.) *Blade-Tribune*, with evening circulation of 30,832, up 8.3%, and Sunday circulation of 32,188, up 7.5%.

In the broadcast area, Howard's sole property to date is WIVB-TV, Buffalo, the No. 2 station in its market. Purchased in 1977, the station's revenues have risen steadily since Howard took over.

While other companies in the communications field have experienced some degree of acquisition and merger activity in recent years, Howard has elected not to play the media acquisitions game. "We're in less inflationary times, and all media appear to be more stable than they were years earlier," Mr. Howard says. "So we don't look for any dramatic changes to take place in media." Instead, the company has embarked on a program of diversification with primary concentration in the energy field.

Founded in 1985, Howard Energy Co., Traverse City, Mich., is heavily involved in the exploration for gas and oil in Michigan and several other Midwest states. The company also has drilling operations in Texas and Wyoming.

MEDIA PROPERTIES

Broadcasting

TV: WIVB, Buffalo, N.Y.

Cable/video

CALIFORNIA: Alhambra, Huntington Park, Montebello, Monterey Park, Norco, Norwalk, Pasadena, Riverside, San Gabriel, Temple City, Walnut, West Covina and unincorporated parts of Los Angeles County. WYOMING: Evanston.

Newspapers (dailies)

CALIFORNIA: *Oceanside Blade-Tribune, San Clemente Sun-Post.* COLORADO: *Northwest Colorado Press* (Craig). IDAHO: *Twin Falls Times-News.* ILLINOIS: *Charleston Times-Courier, Freeport Journal-Standard, Mattoon Journal-Gazette, Pekin Daily Times.* INDIANA: *Hammond Times, Logansport Pharos-Tribune & Press.* IOWA: *Sioux City Journal* (owned jointly with Hagadone Newspapers), *Waterloo Courier.* KENTUCKY: *Maysville Ledger-Independent.* NEW YORK: *Auburn Citizen-Advertiser, Corning Leader, Glens Falls Post-Star.* PENNSYLVANIA: *Carlyle Sentinel.* SOUTH CAROLINA: *Orangeburg Times & Democrat.* WYOMING: *Casper Star-Tribune.*

OTHER OPERATIONS

Howard Energy Co., Traverse City, Mich.

RANK

Ingersoll Publications Co. 56

Lakeville, Conn.

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	207	129	60.5
Total sales	207	129	60.5
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	207	129	60.5
Magazine	0	0	0
Broadcast	0	0	0
Cable	0	0	0

Ingersoll Publications Co., Lakeville, Conn., is the 56th largest U.S. media company, with media revenues in 1984 estimated by ADVERTISING AGE at $207 million, up 60.5% from 1983's estimate.

The company marked its first full year of operation in the St. Louis newspaper market—where it debuted in May, 1983—by adding six more papers in the area, bringing the company's total to 41 in that market.

According to company president Ralph Ingersoll II, the "Ingersoll play" will be long running. "We've done more than we've contemplated," he says. The papers added to the company's already healthy package of Suburban Newspapers of Greater St. Louis are:

Alton (Ill.) *Telegraph*, paid daily, (May, 1985); *Collinsville* (Ill.) *Herald*, paid midweek and Sunday (December, 1984); *Granite City* (Ill.) *Press Record*, paid midweek and Sunday (December, 1984); *Jefferson County* (Mo.) *Daily Rocket*, paid (January, 1985); *Weekend Journal*, free weekly (May, 1984), and *Central West End* (Mo.) *Journal*, free weekly (September, 1984).

Although Ingersoll's St. Louis product originally consisted of free papers, four of the acquisitions are paid.

"We've been buying the paid papers because they give us real presence on the Illinois side," he says, because "a lot of people who live across the river work in St. Louis and vice versa."

The company's interest in the St. Louis area—$70 million in revenue, according to Mr. Ingersoll—is more than just a fondness for the city on the Mississippi.

"We are heading for a showdown with Pulitzer," Mr. Ingersoll says, referring to Pulitzer Publishing Co., owner of the *St. Louis Post-Dispatch*. "It's not inconceivable [for Ingersoll] to start a daily paper" in this market, he says, but "if we start publishing daily, it won't mean publishing any of the existing papers daily."

Ingersoll is building its St. Louis properties by introducing a wire service and a "classified system"—the first ever—expected to go on-line December, 1985.

The project, currently a $2 million investment, is being handled by Sacramento, Cal.-based Systems Integraters, the company used by the *Chicago Tribune* to work with its zoned edition changes. The classified system will allow a consumer to pinpoint an area and make a buy—with one phone call—just in those papers covering the market desired.

In November, Ingersoll strayed from the St. Louis area long enough to place a $150 million bid on the Des Moines Register & Tribune Co., which was sold to Gannett Co.

In April, 1985, as an alternative to financing through commercial banks, Ingersoll privately placed $100 million in 15-year debentures on the market. The advantage to this is a fixed rate and a longer term amortization than found in a bank, Mr. Ingersoll says.

In December, going back to its longstanding role as "newspaper doctors," Ingersoll purchased the *Woonsockett* (R.I.) *Call & Reporter*, a paid daily with a circullation March 31, 1985, of 31,263, according to ABC. "It desperately needs a Sunday edition, which will be out by Labor Day," Mr. Ingersoll says. With this paper, Ingersoll hopes to make Rhode Island a more attractive place for business.

The company's hot acquisition pattern—seven newspapers in 12 months—and its ability to develop capital, indicate growth potential. As Mr. Ingersoll says, "We may be the last pure play newspaper operators."

MEDIA PROPERTIES

Newspapers

CALIFORNIA: Costa Mesa newspapers, Costa Mesa—*Orange Coast Daily Pilot* (d*). JFP Publications, Glendale—*Glendale News Press* (d), *Burbank Daily Review* (d), *Leader, Burbank Weekly Review, Glendale Weekly Review, North Hollywood Review.* OSWeGI Newspaper Publications, Richmond—*Contra Costa Independent* (d), *Berkeley Gazette* (d), *News, Times Journal.* CONNECTICUT: Milford Publishing, Milford—*Milford Citizen* (d), *Stratford Bard, West Haven News, Milford Reporter.* INDIANA: Terre Haute Newspapers, Terre Haute—*Tribune-Star* (d). MASSACHUSETTS: Berkshire Newspapers, North Adams—*North Adams Transcript* (d). Northeast Publishing, Fall River—*Fall River Herald News* (d). MICHIGAN: Royal Oak Newspapers, Royal Oak—*Royal Oak Tribune* (d), *Tribune Plus.* MISSOURI: Suburban Newspapers of Greater St. Louis. NEW HAMPSHIRE: Eagle Publications, Claremont—*Claremont/Springfield* (Vt.) Eagle-Times (d), *Advisor.* NEW JERSEY: Capital City Publishing, Trenton—*Trentonian* (d), *Midweek, Weekend.* Manahawkin Newspapers, Manahawkin—*Beach Haven Times, Beacon, Summer Times.* Precision Publications, Toms River—*Toms River Ocean County Times-Observer* (d), *Jackson News, Point Pleasant Leader.* Riverdale Publishing, Butler—*Suburban Trends.* RNI Publications, Ridgewood—*Ridgewood News, Local Review, Sunday News, Sunday Post.* NEW YORK: Mid-Hudson Publications, Kingston—*Daily Freeman* (d). Oneida Publications, Oneida—*Oneida Daily Dispatch* (d). Tonawanda Publishing Corp., North Tonawanda—*Tonawanda News* (d), *Kenmore Record-Advertiser, Tonawanda News Extra.* OHIO: Massilon Newspapers, Massillon—*Evening Independent* (d). Phoenix Publications, Niles—*Daily-Times* (d), *Girard News, Hubbard News, Liberty News, Austintown Leader, Poland Clarion, Howland Bandwagon, Courtland Home News, Western Reserve Democrat, Brookfield Masury News.* PENNSYLVANIA: Acme Newspapers, Ardmore—*Main Line Times, News of Delaware County, Neighbors News, Germantown Courier, West Philadelphia Scene, TMC News.* Central States Publishing, Primos—*Delaware County Times* (d). Community Service Publishing, Coatesville—*Coatesville Record* (d), *Tri-County Shopper News, Chester County Courier.* Peerless Publications, Pottstown—*Mercury* (d). Phoenixville Newspapers, Phoenixville—*Evening Phoenix* (d). Shenandoah Valley Publishing, Shenandoah—*Evening Herald* (d). Wayne Publications, Wayne—*Suburban* and *Wayne Times, Suburban Advertisers, King of Prussia Courier.* RHODE ISLAND: New England Newspapers, Pawtucket—*Pawtucket-Central Falls Times* (d), Woonsocket—*Woonsocket Call & Reporter* (d).

*(d) means daily. Papers not marked as such are either weeklies or shoppers.

RANK

International Data Group 80

Framingham, Mass.

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	138	85	62.4
Total sales	160	110	45.5
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	138	85	62.4
Broadcast	0	0	0
Cable	0	0	0

International Data Group, Framingham, Mass., better known in media circles by its publishing arm, CW Communications, publisher of *Computerworld*, ranked as the 80th largest media company in 1984 with net revenues from media operations of $138 million, up 62.4% from 1983.

IDG, which draws its name from the company's research arm, International Data Corp., had total revenues for the year of $160 million, up 45.5%.

The revenue increases are attributed to a 17% gain in ad revenue from *Computerworld*, up to $50 million, and from an increase in the number of foreign publications to 47 from 40 in 1983. The privately held company does not release earnings figures. *Computerworld* is the company's lead publication with paid circulation of 125,969 at yearend, up about 2.5%, according to ABC figures.

With the bottom falling out of the computer publishing business almost as quickly as the industry grew, IDG could not avoid some of the losses experienced by other publishers. There are about half the number of computer magazines now as in late 1983.

In the U.S., *Microcomputing, jr.*, and *Computerworld Buyer's Guides* were discontinued. The buyer's guides were distributed to *Computerworld* subscribers as an ancillary publication. "We cut all our losses and got it over with at once," says Lee Vidmer, exec vp of CW Communications. Overseas, the company closed *Micro Info* in the Netherlands and *Micro Verden* in Denmark.

Some publications were not discontinued outright, but folded into others. *Computerworld Office Automation* was changed into a new monthly called *Computerworld Focus*, which covers a different topic each issue and is distributed to all *Computerworld* subscribers.

IDG also broke *Computerworld on Communications* away from *Computerworld* and set it up as a monthly publication on its own, called *On Communications*. It has 60,000 controlled circulation and covers voice and data communication.

In general, however, the trend this year was contracting and consolidating as the publishing business in general did. "We gain market share," Ms. Vidmer says, although ad pages in computer industry publications in general continued to decline in April, 1985.

There were some major personnel changes within the publishing group. Don Fagan became publisher of *Infoworld* early in 1985, and Art Shields became publisher of *Micro Marketworld.*

Although no new publications are imminent, the company always is looking at new business opportunities. Ms. Vidmer predicts any search for new publications is most likely to come from its Framingham publishing group and its Peterborough group, the former Wayne Green publishing operation. "We probably won't see any new publications from the personal com-

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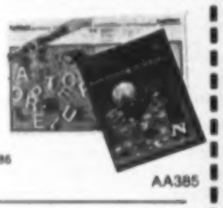

puter group," she says.

By bringing out *On Communications* as its own vehicle, the company is demonstrating its belief that communications is the direction for growth in the computer industry. "The communications industry has blossomed since the breakup [of AT&T]," Ms. Vidmer says, and the company's Communications Network annual conference has been successful and profitable, particularly the past three years, running contrary to the industry drop-off in computer shows.

The Communications Network Conference is the oldest of the company's conferenced seminars, all of which specialize in communications. The company's Conference Management Group has become a profit center, but it will present no personal computer or consumer shows, both of which have been struggling industry-wide.

The company continues to keep a broadcast entity alive doing video work for special projects, and it has no plans to expand this activity. An early foray into tv syndication in 1981-82 was abandoned. "We were ahead of our time," Ms. Vidmer says of the effort.

As a privately held company, International Data Group is not looking to be acquired and has rejected offers from unnamed suitors, Ms. Vidmer says. Nor is the company looking to purchase more properties outright, she says, describing the acquisition of the Wayne Green Publishing operation as being "quasi-successful." Growth in the foreseeable future will come from within the existing company groups.

MEDIA PROPERTIES

Tabloids/magazines, U.S.

CW Communications Inc., Framingham, Mass.: *Computerworld* (tabloid), *Focus* (formerly *Computerworld Office Automation*), *Computerworld on Communications*, *Computerworld Buyers Guide*, *Micro Marketworld*. CW Communications Inc., Peterborough, N.H.: *80 Micro*, *HOT CoCo*, *inCider*, *Run*, *73 for Radio Amateurs*. Popular Computing Inc., Menlo Park, Cal.: *InfoWorld*. PC World Communications Inc., San Francisco: *PC World*, *MACWORLD*.

Tabloids/magazines, international

ARGENTINA: *Computerworld Argentina*. ASIA: *Asian Computerworld*. AUSTRALIA: *Computerworld Australia*, *Australia Micro Computerworld*, *Australia PC World*. BRAZIL: *DataNews*, *Micro Mundo*. FRANCE: Le Monde Informatique, Golden, PC World France (OPC). GERMANY: *Commodore*, *CW Edition Seminar*, *Software Market*, *Computerwoche*, *Micro ComputerWelt*, *PC Welt*, *Computer Business*. ITALY: *Computerworld Italia*. JAPAN: *Computerworld Japan*, *PersoCom World*. NORWAY: *Computerworld Norway*. MEXICO: *Computerworld Mexico*, *CompuMundo*. PEOPLE'S REPUBLIC OF CHINA: *China Computerworld* (50% joint venture). SAUDI ARABIA: *Saudi Computerworld*. SPAIN: *Computerworld Espana*, *Micro Systemas*. SWEDEN: *ComputerSweden*, *MikroDatorn*, *Min Hemdator*, *Mikro*. U.K.: *Computer Management*, *Computer Business Europe*, *Computer News*.

International Thomson Holdings

New York

RANK 23

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	550	450	22.2
Total sales	N/A	N/A	N/A
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	550	450	22.2
Broadcast	0	0	0
Cable	0	0	0

International Thomson Holdings, New York, the principal U.S. subsidiary of International Thomson Organisation Ltd. of Toronto, had estimated revenues of $550 million in 1984 from its U.S. business press segment, ranking 23rd among U.S. media companies.

A public company 75.3% controlled by the family of Canadian Kenneth Thomson, Lord Thomson of Fleet, parent ITH is separate from Thomson Newspapers (also covered in this profile report), which controls Thomson newspaper interests in Canada and the U.S. The two were combined in last year's report because of common ownership but were separated this year at the request of Thomson, which cited their complete autonomous operations as reason for separate treatment.

ITH through its International Thomson Business Press publishes 80 business magazines, but ITH also has substantial interests in information services (software, micropublishing, library automation) and in education/reference book publishing, travel and oil and gas.

ADVERTISING AGE made its revenue estimate based on the $78.6 million in profit reported in 1984 for ITH's publishing and information businesses in the U.S., an increase of 22% from 1983.

In 1984, ITH reported its business magazines in the medical, transportation and industrial fields performed strongly, while those in communications and electronics were disappointing.

The company launched two new magazines during the year: *Home Satellite Marketing* and *Contemporary Pediatrics*. It also acquired American Health Consultants, which publishes 12 newsletters for physicians and hospital administrators, and National Railway Publication Co., a leading information provider to the railway industry.

The professional publishing group (including *American Banker* and *Bond Buyer*, purchased for $58.7 million in 1983) had a record year in sales and trading profit, ITH says. These publications and those in the information group are generally subscription based. They currently are the most profitable part of Thomson businesses in the U.S.

ITO started its business press unit in the U.S. in the 1970s, growing largely through acquisition. One of its most successful trade magazines is *Medical Economics*, edited for physicians in private practice. The twice-monthly publication had estimated gross ad revenues of $20.1 million in 1983 (the latest available date), on ad pages of 4,073, up 0.7% from the prior year, according to *Folio* magazine, which placed its circulation at 180,087, some 28,938 of which was subscriptions, down 2.8%.

Medical Economics is part of the ITO's Medical Economics Co., Oradell, N.J., along with four other highly circulated publications in the medical profession (with 1983 *Folio* figures and 1982 comparisons when applicable):

Drug Topics, a fortnightly written for drugstore retailing, had gross ad revenues of $4.3 million in 1983 on ad pages of 971, down 1.7%, and circulation of 80,586 (only 2,540 subscriptions), up 3.4%; *Patient Care*, published 21 times a year, addresses clinical problems physicians face in daily practice. It had gross ad revenues of $8.1 million in 1983 on ad pages of 2,465, up 3.1%, and circulation of 112,899.

Practical Cardiology, a monthly written as continuing education for the cardiologist, had ad revenues of $5.1 million on ad pages of 1,692, up 22.6%, and circulation of 145,000, up 6.8%, and *RN*, a monthly, had ad revenue of $4 million on ad pages of 653, down 12.7% with circulation of 366,024, down 2.3%, a circulation that brings total gross revenues of the magazine to $9.1 million.

MEDIA PROPERTIES

Magazines

American Banker, *Big Farm Weekly*, *Building Trades Journal*, *Bond Buyer*, *Brandon's Shipper & Forwarder*, *CableVision*, *Consumer Electronics*, *Computer Merchandising*, *Credit Markets*, *Contemporary OB/GYN*, *Contempory Pediatrics*, *Designfax*, *Diagnosis*, *Diagnostic Medicine*, *Geriatric Medicine Today*, *Home Satellite Marketing*, *Hospital Development*, *Hospital Equipment & Supplies*, *Huebner's Tooling & Production*, *Liquor Guide*, *LIST*, *Medical Economics*, *New Electronics*, *Nursing Opportunities*, *Pacific Shipper*, *Physician*, *Practice 83*, *Purchasing World*, *Radio Communicatons Report*, *RN*, *Software Merchandising*, *Veterinary Economics*, *Veterinary Medicine/Small Animal Clinician*, *Ward's Auto World*, *Ward's Automotive Reports*, *The Weekly Bond Buyer*.

Other media operations

American Health Consultants; Auerbach Publishers, professional books, journals, newsletters; Callaghan & Co. and Clark Boardman Co., legal publishers: National Railway Publications Co.; Warren, Gorham & Lamont, professional books, newsletters, journals.

OTHER OPERATIONS

International Thomson Books.

Journal Co.

Milwaukee

RANK 61

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	197	177	11.3
Total sales	340	303	12.2
Net income	34	26	28.0
Sales per medium			
Newspaper	166	140	10.9
Magazine	0	0	0
Broadcast	26	23	11.6
Cable	6	5	0

Journal Co., Milwaukee, is the 61st largest media company, with 1984 media revenues of $197.3 million, up 11.3% from the previous year.

Media revenue at Journal Co. comes largely from the *Milwaukee Journal* and *Sentinel*, weekly newspapers and three tv properties. Together they comprised 58% of the company's total revenues of $339.5 million in 1984. Commercial printing accounts for most of the nonmedia business.

Net income for the employe-owned company rose 28% to $34.1 million in 1984. Although sales and acquisition activity for Journal Co. in 1984 were minimal, the company took steps in the first quarter of 1985 to build its revenue stream by acquiring an independent tv station, launching a weekly publication and selling its cable operation.

The cable system, Teletron Inc., was sold Feb. 28, 1985, to Jones Intercable of Englewood, Col., for $25 million. The system, which was added in 1965, served the central Wisconsin cities of Stevens Point, Wausau and Wisconsin Rapids and had built its subscriber list to 26,000.

"We're better off to concentrate on publishing, broadcasting and commercial printing," says Jack Knake, vp-corporate communications. "If you want to be [successful] in the cable business today, you either have to get big and grow, or not be in it at all."

In January, 1985, the company acquired WFSL-TV, an independent station in Lansing, Mich., for $8.25 million. To support an impending ad campaign to promote it, the company changed the station's call letters to WSYM ("We Say Yes To Michigan") in March. Journal Co.'s other tv properties include ABC affiliate KTNV-TV, Las Vegas, and WTMJ-TV, the NBC affiliate in Milwaukee.

According to the February, 1985, A.C. Nielsen Co. ratings report, KTNV is ranked No. 3 over-all in the tight Las Vegas market, posting a 7 rating with a 19 share. The station follows NBC affiliate KVBC, ranked No. 1 over-all, and CBS affiliate KLAS, ranked No. 2. WTMJ, with a 9 rating and a 25 share, ranks No. 1 in the Milwaukee market, according to Nielsen.

Journal Co.'s print properties showed significant gains in 1984. Total revenues for the *Milwaukee Journal* and *Milwaukee Sentinel* combined increased by 12.4%, according to Mr. Knake. Circulation increased for the *Sentinel* and the *Journal's* Sunday edition, but fell for the *Journal's* daily edition.

While the ABC March, 1985, report shows circulation for the Journal's Sunday edition climbed to 529,636, a 0.5% increase from the same period a year earlier, circulation for the *Journal's* daily edition fell 1% to 303,127. The *Sentinel's* circulation is posted at 183,621, a 1.8% increase.

Add Inc., a group of shoppers in Montana and Wisconsin, added the *Oshkosh* (Wis.) *Buyer's Guide* and the *Neenah* (Wis.) *Buyer's Guide* to its list of nine properties in September, 1984. Total revenues for the entire group increased in 1984 by 23.6%, notes the company.

In March, Journal Co. added the weekly *Stratford* (Conn.) *Star* to its roster of five weekly publications produced by its Hometown Publishing division in Trumbull, Conn. Total revenues for the Hometown Publishing group increased in 1984 by 18.4%.

Personnel changes in 1984 included giving Robert A. Kahlor, president, Newspapers Inc. (which governs the *Journal* and *Sentinel*), the additional title of exec vp, Journal Co. Mr. Kahlor succeeds Warren J. Heyse, now president of the Journal Co. D.

The editorial staffs of the company's two dailies voted to institute a guild in June, 1984, by a vote of 161 to 136. According to Mr. Knake, editorial employes are "still in negotiations" for a contract and company officials "have no idea when one will be approved."

Journal Co. also owns Teleport, Skokie, Ill., a facility of Midwestern Relay Inc. Teleport supplies communications satellites and feeds signals to Chicago-area broadcasters for pick-up and transmission.

MEDIA PROPERTIES

Broadcasting

TV:KTNV, Las Vegas; WTMJ, Milwaukee; WSYM, Lansing, Mich.
RADIO: WTMJ (am), WKTI (fm), Milwaukee.

Newspapers (dailies)

WISCONSIN: *Milwaukee Journal*, *Milwaukee Sentinel*.

Newspapers (nondailies)

CONNECTICUT: Hometown Publishing, includes *Easton Courier*, *Huntington Herald*, *Monroe Courier*, *Stratford Star*, *Trumbull Times*.

Shoppers

Add Inc. with papers in MONTANA: Great Falls, Missoula. WISCONSIN: Berlin, New London, Neenah, Oshkosh, Seymour, Stevens Point, Waupaca, Wausau, Wisconsin Rapids.

OTHER OPERATIONS

Education: MJE Corp., Niles, Ill. Microwave service: Midwestern Relay Inc. Commercial Printing: Perry Printing Corp., Waterloo, Wis., with plants in Baraboo, Milwaukee, Norway, Mich., and Trumbull, Conn.

Knapp Communications

Los Angeles

RANK 97

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	98	89	10.3
Total sales	111	99	12.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	98	89	10.3
Broadcast	0	0	0
Cable	0	0	0

Knapp Communications, Los Angeles, whose attempts to revive *Geo* magazine have finally ended with the scuttling of the magazine this year, is the 97th largest media company, with 1984 media revenues of $97.6 million, up 10% from 1983.

Total consolidated revenues for 1984 (all figures are for the fiscal year ended Jan. 31, 1985) were $111.2 million, of which 79% was generated by advertising and circulation revenues for the three U.S. magazines published by the company—*Architectural Digest*, *Bon Appetit* and *Home*.

Missing from this roster is *Geo*, the 250,000-circulation magazine purchased from German publisher Gruner & Jahr in 1979. First billed as "a new view of our world," *Geo*'s identity shifted to the "Earth Diary" and finally—as of last September—to the travel field. It ceased publication with the February, 1985, issue.

In the view of industry observers quoted in the March, 1985, *Folio*, the final transformation came too late, necessitating a period of several more years until readers and advertisers became used to the new product. But magazine group publisher Harry Myers told *Folio* it would have been too expensive to pump up *Geo's* circulation to the 500,000 level needed to cover the costs of producing the lavishly illustrated magazine. It was estimated that *Geo* consumed an estimated $70 million of Gruner & Jahr and Knapp money during its short history.

The remaining three magazines are geared to the upscale market that Knapp has made its focus. *Architectural Digest*, purchased by Knapp 20 years ago, was transformed from a twice-annual trade magazine into a monthly for consumers.

Thomas P. Losee Jr., vp-publisher, hired from Hearst Corp. last year, says, "Nobody spends the kind of money we do" to reach the market with a median income of $82,000 and a median age of about 40. "We were one of the few magazines mentioned in the 'Yuppie Handbook,'" he says.

Last year marked *Architectural Digest's* biggest annual ad revenue bonanza—$20.8 million—with ad pages increasing 3% over the previous year. *AD* ad pages were up 2.5% to 1,503 in 1984 bringing revenues of $27.8 million, up 12.6%.

The 1984 circulation figure, exclusive of foreign editions (a German edition, published by Burda-Verlag, was added to the lineup of foreign licensees last year), was 601,000, a slight drop from 602,397 in 1983. Gross circulation revenues in 1984 were $21.1 million.

This year, *Architectural Digest* was chosen to fulfill the subscriptions of former *Geo* readers.

Legend has it that Bud Knapp once walked into a bookstore and discovered that the only books that sold more than the Bible were cookbooks, and so *Bon Appetit* was transformed from a Pillsbury giveaway into a food magazine for the rich. Ad revenues at the magazine were $16.6 million in 1984 on a net basis, and $24.1 million at gross. Ad pages were up 10% to 1,116 over the previous year. Circulation remained steady at 1.3 million with circulation gross revenues at $16.1 million.

Asked what impact Conde Nast's purchase of rival *Gourmet* magazine might have, *Bon Appetit* publisher Robert Phelps said he expected it to be "a force with which to be reckoned," but noted that "they still do not want to compete with us in the food area." *Bon Appetit's* emphasis is on recipes that can be prepared with food available in the supermarket.

Mr. Phelps is excited about the tv show "Master Chefs of New York," which *Bon Appetit* developed last year in collaboration with KQED/Golden Productions, San Francisco. The magazine was asked to be a "creative partner . . . We chose the restaurants, chose the menu, prepared the cookbook, tested the recipes," Mr. Phelps says. That cookbook, published by otherwise inactive Knapp Press, funded the production with sales—at the most recent count—of 77,000 copies. Says a Knapp spokesperson of the 13-week show, first aired last July in New York and since shown elsewhere in the U.S.: "It was a pretty successful co-venture . . . very important for the cooperation of television and magazines." A second series is scheduled to go into production this summer.

When Knapp acquired *Home* (formerly *Hudson Home Magazine*) in 1981, its circulation stood at 380,000. Last year that figure rose to 579,000, up 38,231 from 1983. Publisher George Fields says that, as of March, 1985, the total has jumped to 700,000. Ad pages rose 33.5% to 610 in 1984 and ad revenues hit $7.3 million, up 55% from 1983, according to Publishers Information Bureau.

Mr. Fields cites *Home's* 1983 redesign, increasing strength on the newsstand and appeal to the growing numbers of "affluent couples who are really defining their position in life by their home surroundings," as factors in the magazine's recent growth. "Shelter magazines used to be fairly passive," he says. "Now there is a dual interest in the home . . . you sit around the bar and hear guys talking about their kitchens." The kitchen is the focal point, Mr. Field says, but the bathroom is emerging as "an equally interesting area." *Home* carries more kitchen and bath editorial pages than any other U.S. consumer magazine.

Four years ago, Knapp began working on the first of its motivational market studies, which are supplied free to ad agencies and the industries the studies survey. "You can't sell space to people unless you understand what their problems are," says vp-associate magazine publisher Bob Brown, who wrote last year's study "The Affluent Market and the Automobile." This year he'll be coming out with cross-tabulated information on auto imagery.

Also due out this year is a survey of why people do and do not buy furniture for their homes and a report on liquor-buying habits. Next year, Mr. Brown says, home furnishings probably will be surveyed, and "at some point" consumer electronics buying habits may be subjected to scrutiny. On the latter subject, Knapp is rumored to be bringing out a new publication related to the electronics field, a subject on which Knapp remains quiet.

Each area of study is in line with the leading categories of business Knapp attracts in its magazines. "We look at it as an investment," Mr. Brown says. "With all this kind of data, you can talk to the chairman of the board, the president . . . How can you be in this business and not care about everyday real-life consumer information?"

MEDIA PROPERTIES

Magazines

Architectural Digest, AD (Milan), *Bon Appetit, Home* (general partner).

OTHER OPERATIONS

Knapp Press, Rosebud Books.

Knight-Ridder Newspapers

RANK 8

Miami

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	1,665	1,473	13.0
Total sales	1,665	1,473	13.0
Net income	140	119	17.7
Sales per medium			
Newspaper	1,489	1,317	13.0
Magazine	0	0	0
Broadcast	63	52	21.5
Cable	N/A	N/A	N/A

Knight-Ridder Newspapers, Miami, continues to build on its performance in 1984 that produced media revenues of $1.67 billion, ranking the company 8th among the nation's media companies.

Media revenues at Knight-Ridder increased 13% from the prior year. K-R has several media support operations—newsprint maker and supplier, newspaper sales, trucking system, and a small book printing facility—but these are treated as media in this issue. They represented less than 3% of total revenues in 1984.

In the first quarter of fiscal 1985 ended March 31, K-R showed earnings of $28.9 million, a gain of 10.7% over the comparable period in 1984. K-R's 1984 total earnings grew 17.7% over 1983, outpacing a 16% increase in the previous year-to-year period.

While K-R remains essentially a newspaper company—89.4% of total revenues were from newspapers in 1984—it continues to dabble in the broadcast market. Early this year, it linked forces with Scripps-Howard and Tele-Communications Inc. to bid unsuccessfully for Storer Communications, a Miami cable and broadcast company.

K-R is sticking to its Viewtron videotex experiment despite capital expenditures of $40 million thus far, and a loss in 1984 of $17 million as reported by K-R chairman Alvah Chapman Jr. to a group of security analysts last year. Viewtron, which in 1983 became the nation's first consumer videotex service, has about 3,000 subscribers, short of the 5,000 it had expected by the end of its first full year of operation.

Viewtron, seeking a market niche for its menu of services, may have found one. By this summer, Viewtron will offer a software package allowing Apple II and Commodore 64 computer users to hook up to Viewtron through their own equipment, eliminating the special hardware required to receive Viewtron data. That hardware originally cost $600, a one-time cost scrapped last year in favor of a monthly rental, which at first was $39.95 and more recently $24.95.

The year also saw a change in management at Viewtron as well as the cutting of 41 fulltime employes and an undisclosed number of parttimers. Viewdata Corp. of America president Albert J. Gilien retired and was replaced by *Jackson* (Tenn.) *Sun* publisher Reid Ashe, who took the new title of ceo. Former Heublein International executive Paul Orme was appointed president.

Ad revenues of K-R's biggest media section—newspapers—climbed 14.7% on the strength of a 24.6% increase in classified revenues. Particularly strong showings were posted in employment advertising, up 41%, and automotive advertising, up 26%. Total full-run linage rose 4.6%. Preprint ad revenues also showed strong gains. Full-run preprint revenues climbed 25.8% and zoned part-run preprint revenues rose 22.8%.

K-R introduced six new suburban-zoned "neighborhood" sections and four more Business Monday-style products to its 24 daily general newspapers. No new papers, however, were added in 1984. In two markets, Long Beach, Cal., and Aberdeen, S.D., the papers were converted to morning publication. In a third market, St. Paul, Minn., K-R announced plans to combine the city's two daily papers, the *St. Paul Pioneer Press* and *St. Paul Dispatch*, into a single publication with morning and afternoon editions.

K-R's total daily circulation rose by 38,000 to 3.83 million; Sunday circulation grew by more than 79,000 to 4.59 million.

K-R carried out or committed itself to a number of capital improvement projects for its newspaper properties in 1984. A new $16 million state-of-the-art plant was opened in Bradenton, Fla., where the company publishes the *Bradenton Herald*. In St. Paul, the *Dispatch* and *Pioneer Press* gained a new $11 million office building. Pagination systems were approved for Philadelphia and Long Beach, and K-R began testing flexographic printing in Miami and Long Beach.

Because of the strength of the dollar abroad and the slowdown in international travel to Miami, growth of the *Miami Herald* was slightly below the company's composite average. The paper continues to be K-R's major profit center, with total revenues up 11.6% over last year, to $230.4 million.

The *Herald* beefed up editorial coverage in the counties north of Miami, where a battle has been brewing for new subscribers during the past few years. This area, also hotly pursued by the Fort Lauderdale and Palm Beach daily papers, is where the overwhelming majority of South Florida's growth will occur in the coming decade.

The *Philadelphia Inquirer* and *Philadelphia Daily News* also introduced several new products in 1984 to secure readership: Three zoned neighborhood sections and a beefed-up sports section at the *Inquirer* and a targeted Business Plus section at the *News*. The two papers continue to contribute 21% of K-R's total operating revenues, with ad revenues up 18.3% over 1983 to $263.3 million in 1984. *Inquirer* daily circulation is slipping slowly. The latest figures show average daily circulation of 519,621, down 2.9%, and the Sunday circulation of 1,011,837, up 0.4%, according to March 31, 1985, ABC audited figures comparing six-month averages for that period to the comparable 1984 period.

At the Detroit Free Press circulation figures for the daily climbed to 646,476 daily, up 2.4%, but dipped to 778,178 for Sunday, off 1.1%. The lower Sunday circulation has to do with an increase in the Sunday price early this year, from 50¢ to 75¢ per copy.

The *Free Press* is the only paper in the K-R stable facing stiff head-on competition, making it a perennial money loser for the company. The locally-owned *Detroit News* had daily circulation of 666,949, up 1.5%, and Sunday's 884,763, up 2.8%.

However, total r.o.p. ad linage share of market in 1984 for the *Free Press* vs. the Evening News Assn.'s *News* rose slightly to 41.3% compared to 41.2% in 1983 and 41.0% in 1982, says K-R. Ad revenues at the morning *Free Press* rose 9.8%, to $104.8 million, with a 36.3% increase in classified ad revenues leading the way, thanks to an improved automotive industry.

The *San Jose Mercury News*, which converted to an all-day newspaper in 1983, broke its circulation record, rising to 259,059 for the daily, up 5.4%, and 309,527 on Sunday, up 3.6%. The paper, which contributes 10% of all K-R newspaper revenues, has expanded its business coverage and has introduced a Religion and Ethics section to Saturday's edition. Ad revenues were up 21.2% over 1983, to almost $153.9 million.

In the broadcast area, K-R bought one cable system and sold another, reflecting management's cautious approach to diversification. TKR Cable Co., a joint venture with Denver-based Tele-Communications Inc., purchased Hamilton Cablevision, Hamilton, N.J. The $22 million purchase brought TKR's total subscriber count to 161,000. Trading the East Coast for the West Coast, K-R and partner Times Mirror Co. agreed to sell Long Beach Cablevision to Simmons Communications, Stamford Conn. The sale will be completed this year.

Broadcast revenues rocketed 35.9% over 1983, largely because of the November, 1983, purchase of ABC-affiliate WNGE-TV (the name was changed to WKRN-TV), Nashville, Tenn. One industry analyst says he expects K-R will get more heavily involved in tv and cable if the Viewtron experiment ends.

K-R also is showing signs of slow penetration of other areas of information dissemination.

Two acquisitions were completed in the business information services division, where revenues grew last year by 14.9% to $67 million: Commodity Research Bureau, which provides charts for commodity traders, and Tradecenter, which provides real-time graphic price information to the financial community. These products complement K-R's Commodity News Service, whose customer base increased to more than 35,000. The company said, however, revenue growth in this area was below expectations.

K-R also made a commitment to expand the *Journal of Commerce* in 1985 with a West Coast edition published via satellite. The publication is considered the dominant source of information on ocean cargo and shipping, and plans are also in the works for a Midwest edition.

On the mobile telephone front, K-R's Tel-Air Network opened operations in Miami, Tampa, Austin and San Antonio, but sold its interests in cellular telephone applications pending in eight markets to McCaw Communications. The company made the move because of an unanticipated rule change by the FCC that would have made K-R a minority owner in any franchises awarded.

K-R received an additional boost in 1984 by being featured in the book, "The Best Companies to Work for in America." Management gets high marks from both analysts and employes and is said to be a company that knows when to swim and when to return to shore. Says industry analyst Bruce Thorp of Ryan, Lynch & Jones, Washington, "At Knight-Ridder the emphasis is on quality. They made a commitment to develop the best system they could."

MEDIA PROPERTIES

Broadcasting

TV: WJRT, Flint, Mich.; WKRN, Nashville, Tenn.; WPRI, Providence, R.I.; WTEN, Albany, N.Y.; WTKR, Norfolk, Va.

Cable/video

TKR Cable Co. (50% interest): NEW JERSEY: Aberdeen, Barnegat Light, Beach Haven, Bernards, Bound Brook, Bridgewater, Dunellen, Edison, Elizabeth, Green Brook. Hamilton, Harvey Cedars, Highland Park, Keansburg, Key Port, Long Beach, Manville, Matawan, Metuchen, Middlesex, Milltown, Montvale, New Brunswick, Old Bridge, Piscataway, Raritan, Sayerville, Ship Bottom, Somerville, South Amboy, South Bound Brook, Surf City, Union Beach, Warren, Watchung. NEW YORK: Rockland County. CALIFORNIA: Long Beach Cablevision Co. (50% interest). Agreement to sell in 1985.

Videotex

Viewdata Corp. of America (Viewtron).

Newspapers (dailies)

CALIFORNIA: *Long Beach Press Telegram, Pasadena Star-News, San Jose Mercury News*. COLORADO: *Boulder Daily Camera*. FLORIDA: *Boca Raton News, Bradenton Herald, Miami Herald, Tallahassee Democrat*. GEORGIA: *Columbus Enquirer, Columbus Ledger, Macon Telegraph & News, Milledgeville Union-Recorder*. INDIANA: *Fort Wayne News-Sentinel, Gary Post-Tribune*. KANSAS: *Wichita Eagle-Beacon*. KENTUCKY: *Lexington Herald-Leader*. MICHIGAN: *Detroit Free Press*. MINNESOTA: *Duluth News-Tribune & Herald, St. Paul Pioneer Press & Dispatch*. NORTH CAROLINA: *Charlotte News, Charlotte Observer*. NORTH DAKOTA: *Grand Forks Herald*. OHIO: *Akron Beacon Journal*. PENNSYLVANIA: *Philadelphia Daily News, Philadelphia Inquirer, State College Centre Daily Times*. SOUTH DAKOTA: *Aberdeen News American*.

Newspapers (nondailies)

CALIFORNIA: *Anaheim Independent, Arcadia Tribune, Buena Park News, Duartean* (Duarte), *Huntington Beach Independent, La Mirada Lamplighter, Monrovia News-Post, Orange County News, Temple City Times*. FLORIDA: *Florida Keys Keynoter*.

Business information

Commodity News Services, *Journal of Commerce*, Unicom News (50% interest), VU/TEXT Information Services.

Other media operations

Circom Corp., Commercial Terminals of Detroit, Inc., HP Books, Knight-Ridder Newspaper Sales Inc., Observer Transportation Co., Portage Newspaper Supply Co., Twin Cities Newspaper Services Inc.

Members of the board

CBS knew a franchise when it saw one, clinging to Walter Cronkite as a special correspondent after his retirement from nightly news, and as a board member where he sits with other luminaries, William S. Paley, founder and chairman; Michel C. Bergerac, chairman of Revlon Inc.; Harold Brown, chairman of the Foreign Policy Institute at Johns Hopkins University, and Franklin A. Thomas, president of the Ford Foundation, among others.

Kohlberg Kravis Roberts & Co.

RANK 38

Los Angeles

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	302	299	0.9
Total sales	302	299	0.9
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	200	209	-4.3
Cable	102	90	13.0

Kohlberg Kravis Roberts & Co., the New York-based private investment banking company, is the nation's 38th largest media company with revenues from media properties of an estimated $302 million in 1984.

KKR's ownership during 1984 of KTLA-TV, the Los Angeles independent station, and its ownership during eight months of 1984 of the six tv stations and cable operations of what used to be Wometco Enterprises, Miami, are included in ADVERTISING AGE's media estimate. A year-to-year comparison is not applicable because of the partial-year ownership of Wometco by KKR.

KKR has assumed a prominent role in the nation's broadcast media by virtue of its purchases—all leveraged buyouts—in the past two years. The company bought the country's largest independent tv station, KTLA in Los Angeles, in 1982. In March, 1984, shareholders at Wometco Enterprises in Miami agreed to a $1 billion buyout engineered by KKR. Then in May, 1985, Storer Communications agreed to a buyout.

In a leveraged buyout, a company is sold, generally to its management in cooperation with outside interests. Because this incurs sizable debt, the debt is serviced by the cash flow from existing properties and by the sale of assets to reduce the debt.

Storer revenues are not included in those of KKR in this profile because that deal is still being concluded, and the time period determining the rankings by AD AGE is calendar 1984 or fiscal years that may end as late as March 31, 1985. (For more information, see Storer profile.)

KKR remains highly active in the market on all fronts, selling KTLA in May, 1985, to Tribune Co. of Chicago for $510 million, nearly twice the price KKR paid former movie cowboy Gene

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Autry for it in 1982. In mid-1985, KKR was in the process of purchasing Storer Communications in Miami for an estimated $1.64 billion. Shareholder resistance has held up that purchase.

This activity may just be the beginning. The company plans to continue to deal in communications properties—"if the price is right," qualifies Anthony Cassara, president of Wometco Broadcasting Co. Indeed, KKR must sell off some of its acquisitions because several run counter to FCC regulations prohibiting media crossownership in the same market.

In 1982, KKR purchased KTLA for $245 million, followed by the purchase in 1984 of Wometco Enterprises, including large cable holdings and six tv stations. To manage these new stations, KKR formed Wometco Broadcasting Co.

Mr. Cassara, president of KKR's Golden West Television (its sole tv property was KTLA) at the time of the Wometco purchase, was given the additional title of president of Wometco Broadcasting. Mr. Cassara, while heading up KTLA for one-time owner, Mr. Autry, first made the KKR connections, getting the investment banker to participate in a buyout of KTLA in which he became part-owner along with KKR.

Mr. Cassara estimated combined revenues of KTLA and only the Wometco tv properties at $200 million for 1984. In 1983, KTLA had estimated revenues of about $130 million and Wometco's six tv stations had revenues of $79 million. KTLA in the 1984 estimate supplied about 71% of the seven-tv total. Wometco's cable operations, accounting for revenues of $90.3 million in 1983, had estimated revenues of $102 million in 1984.

When the sale of KTLA is finalized in late summer—pending FCC approval of the license transfer—Golden West Television will be dissolved, Mr. Cassara says. He will remain as president of Wometco Broadcasting.

Meanwhile, things are changing at Wometco. Wometco Broadcasting has sold KVOS-TV in Bellingham, Wash., to Ackerley Communications, Seattle, and is selling WZZM-TV in Grand Rapids, Mich., to Price Communications, New York, pending FCC approval.

Wometco Enterprises, which split into two divisions—Wometco Broadcasting and WEI Enterprises—at the time of the KKR purchase, has whittled away at the WEI division, selling off its soft drink business in February, 1985, and its vending and theater activities in June, 1985. That leaves only cable operations in the division. At the end of July, 1985, WEI Enterprises will become a separate private company called Wometco Cable TV Inc., solely to house the vast cable business.

Wometco's cable operations increased total subscribers 12.1% to 305,000 from 1984 to mid-1985 serving communities in North Carolina, Georgia, Alabama, Mississippi, Louisiana, and Oklahoma. The systems passed 544,000 homes, and pay tv units (one sub may have more than one unit) were 233,000. During 1984, the company added systems in Kingstree, S.C., and a group system in Red Springs, N.C. In early 1985, the company sold its Ausable Communications, Plattsburg, N.Y., system to Gateway Cablevision and acquired the Manning, S.C., system.

Of the Storer Communications buyout, Mr. Cassara says there are no plans to combine it with Wometco. The two will remain different companies with separate corporate entities, he says.

Storer has about 1.5 million basic subscribers and estimated cable revenues of $341.8 million. The Miami-based company also owns seven tv stations with estimated revenues of about $195 million, which KKR also obtained in the purchase. These stations serve the markets of Atlanta, Boston, Detroit, Cleveland, Toledo, San Diego and Milwaukee.

Concerning the stations sold at Wometco, Mr. Cassara says they were sold because they serve markets smaller than those in which Wometco is interested, and KKR purchased them only because they were included in the original Wometco deal.

The sale of these stations leaves Wometco with four stations: Two uhf channels in Newark, N.J., and Smithtown, N.Y.; an ABC affiliate in Asheville, N.C., and a CBS affiliate in Miami.

KKR now has 11 stations among Wometco and Storer properties, but because FCC regulations count uhf stations as half of a vhf station, KKR legally owns only 10—two below the limit of 12.

KKR, however, has tv and cable franchises in the same market, a crossownership that runs counter to FCC regulations. KKR will need to do something about the Miami market where Wometco owns a tv station and Storer has the cable rights. One must go. "These decisions probably won't be made for another year," Mr. Cassara says.

"KKR is very interested in the broadcast industries, and would like to invest more. But this desire is contingent upon the market. If tv station prices continue to rise, then leveraged buyouts are going to be difficult."

MEDIA PROPERTIES

Broadcast

Wometco Broadcasting: WTVJ, Miami/West Palm Beach; WWHT, Newark, N.J.; WSNL, Smithtown, N.Y.; WLOS, Asheville, N.C./Greenville-Spartanburg, S.C.

Cable/video

ALABAMA: Wometco Cable TV of Alabama, (Daleville and Dothan). GEORGIA: Alert Cable TV (Fort Benning); Wometco Cable TV of Clayton County (Jonesboro), Fayette County, Fulton County (Hapeville), Cobb County (Marietta), Conyers-Rockdale (Conyers); Wometco Cable TV of Georgia, (Douglasville, Kennesaw, Mableton, Snellville). LOUISIANA: Cable TV of Pointe Coupee (New Roads); Church Point Cable TV (Church Point); Jeff Davis Cable TV (Jennings); Lafourche Communications (Chackbay, Labadieville, Mandeville, Thibodaux); River Parish Cable TV (Vacherie); St. Landry Cable TV (Opelousas); Cable TV of Acodiana (Eunice); St. Tammany Cablevision, (Slidell). MISSISSIPPI: Picayune Cablevision (Picayune). NORTH CAROLINA: Alert Cable TV of Goldsboro (Goldsboro); Alert Cable TV of North Carolina (Carrboro, Cary, Cherry Point, Elizabethtown, Fairmont, Farmville, Garner, Guilford County, Pembroke, Roeford, Red Springs, Reidsville/Stoneville, Selma, St. Pauls, Wake Forest/Wendell); Alert Cable TV of Wilson (Wilson). OKLAHOMA: Alert Cable TV of Oklahoma (Pryor). SOUTH CAROLINA: Alert Cable TV of South Carolina (Andrews, Georgetown, Lake City/Bishopville, Summerville, Johnsonville, Kingstree); Columbia Cable TV Co., (Columbia); Manning. GRAND BAHAMAS: Grand Bahama CATV, Freeport.

Other media properties

Golden West Subscription of Dallas; Golden West Productions; Golden West Videotape and Golden West Television Distribution.

RANK 52

Landmark Communications

Norfolk, Va.

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	225	186	21.0
Total sales	229	186	23.1
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	192	163	17.8
Magazine	0	0	0
Broadcast	33	22	53.9
Cable	N/A	80	N/A

Landmark Communications, Norfolk, Va., whose TeleCable division was spun off to become a private company in January, 1984, was the 52nd largest media company, with 1984 media revenues of $225 million, 98.3% of its corporate revenue of $229 million.

The divestiture left Landmark basically with its traditional newspaper properties and two tv and two radio stations. Media revenues from these continuing operations were up 21% from the prior year.

Of the 1984 revenues, 83.7%, or $191.6 million was from the company's publishing enterprises—primarily daily and weekly newspapers—compared with 87.4% the year before. Broadcasting revenues increased 53.9% to $33.4 million.

Company officials will not give additional financial details, but much of the increase in broadcasting revenues in 1984 came from Landmark's Weather Channel. Although still running in the red, the Weather Channel received substantial income from subscriber fees, which the company instituted Jan. 1, 1984.

The subscriber fees, charged to cable operators, range from 3¢ a month a customer for larger markets to 5¢ in smaller markets. Assuming an average of 4¢ a month for each of the Weather Channel's 16 million customers in 1984, gross income from subscriber fees would be $640,000 a month or $7.68 million a year.

John O. Wynne, chairman of the Weather Channel and president of Landmark Broadcast & Video, says subscriber fees represented about 45% of the Weather Channel's 1984 revenue, but this percentage will drop in the next few years because subscription rates were guaranteed for three years.

"Implementation of the subscription fees puts us on a solid financial footing, and even though we still are losing money, we're pleased with the direction the Weather Channel is taking," Mr. Wynne says. "Our costs now are very manageable, and we expect to see a positive cash flow beginning in 1986."

Mr. Wynne says ad revenues from the Weather Channel doubled in 1984 from 1983 figures.

The Weather Channel's ad sales were helped by its first ratings from A.C. Nielsen Co., at the beginning of 1985 when the channel first totaled 12 million subscribers. The metered ratings have been constant at 0.4, Mr. Wynne says. This means that at any given moment the channel is being watched in 70,000 households. The figure, Mr. Wynne says, is comparable to USA Cable Network, Entertainment & Sports Programming Network and Cable News Network during parts of the day.

Less than a quarter of 1% of the 1,750 cable operators carrying Weather Channel dropped the service when the subscription fees began, Mr. Wynne says, although some chose to continue under their old nonpayment status until the contractual period concludes and then negotiate a subscription fee.

"Our financial growth, with implementation of the subscriber fee, is right on schedule," Mr. Wynne says.

Landmark's three major daily newspapers, the *Norfolk Virginian Pilot* and *Ledger-Star*, the *Roanoke Times & World News* and the Greensboro, N.C., *News & Record*, showed consistent advertising and circulation gains in 1984, says Landmark vp E.C. Oldfield Jr. Those papers accounted for 69% of Landmark's publishing revenues in 1984, a drop from 60% in 1983, he says, noting the drop had to do with a bigger base created through the acquisition of new publications.

The acquisitions included a weekly newspaper, the *Henry County Local*, New Castle, Ky., and *Style Inc.*, a free-distribution, entertainment-oriented newsprint magazine serving the Richmond, Va., market. *Style* joins *Port Folio*, which serves Hampton Roads, Va., and *Spectator* Magazine of the Triad, Greensboro, N.C. Another new publication introduced in 1984 was a South Florida edition of *Senior World*, Fort Lauderdale, Fla.

Perry Morgan, exec vp-executive editor of Landmark Communications and senior editor of the *Virginian-Pilot* and *Ledger-Star*, retired in February, 1985, after 12 years at Landmark. His replacement has not been announced.

Mr. Oldfield is optimistic about 1985 financial prospects at Landmark. "We had a particularly good 1984, with across-the-board publishing and broadcasting revenue increases from 1983, and 1985 continues to look encouraging."

MEDIA PROPERTIES

Broadcasting

TV: KLAS, Las Vegas; KNTV, San Jose.
RADIO: WTAR (am) and WLTY (fm), Norfolk, Va.

Magazines

Port Folio, Hampton Roads, Va.; *Senior World*, South Florida edition, Fort Lauderdale; *Spectator* Magazine of the Triad, Greensboro, N.C.; *Style Inc.*, Richmond, Va.

Newspapers (dailies)

CALIFORNIA: *El Cajon Daily Californian*. INDIANA: *Mount Vernon Democrat*. KENTUCKY: *Elizabeth News Enterprise*. MARYLAND: *Westminster Carroll County Times*. NEW MEXICO: *Los Alamos Monitor*. NORTH CAROLINA: *Greensboro News & Record*. VIRGINIA: *Norfolk Virginian Pilot*, *Ledger-Star* (Norfolk), *Roanoke Times & World News*.

Newspapers (nondailies)

FLORIDA: *Citrus County Chronicle*, Inverness, south Florida edition of *Senior World* (Fort Lauderdale), *Sumter County Times* (Bushnell). KENTUCKY: *Henry County Local*, New Castle. ILLINOIS: *Vandalia Leader Union*. INDIANA: *Journal & Democrat* (Rockport), *News* (Tell City). IOWA: *Opinion Tribune* (Glennwood), *Red Oak Express*. KENTUCKY: *Anderson News* (Lawrenceburg), *News Democrat* (Carrollton), *Casey County News* (Liberty), *Central Kentucky News-Journal* (Campbellsville), *Cynthiana Democrat*, *Lebanon Enterprise*, *Oldham Era* (La Grange), *Shelbyville Sentinel-News*, *Springfield Sun*, *Trimble Banner Democrat* (Bedford). MARYLAND: *Reisterstown Community Times*, *Randallstown News*. MISSISSIPPI: *New Albany Gazette*. VIRGINIA: *Galaxy Gazette*, *Style Inc.*, Richmond. Also, 22 free shoppers plus special interest publications magazines and Capital-Gazette Newspapers, Anapolis, Md. (49.9% owned).

RANK 64

Lee Enterprises

Davenport, Ia.

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	183	166	10.1
Total sales	190	173	10.1
Net income	26.7	22.8	17.2
Sales per medium			
Newspaper	134	121	11.3
Magazine	0	0	0
Broadcast	49	46	6.6
Cable	0	0	0

Lee Enterprises, the 64th largest media company in the U.S., had revenues of $182.7 million from its Midwest newspaper and broadcast properties in 1984, a 10% increase from 1983.

Lee achieved similar growth in recording total revenues of $190 million, up 10.1%. For the first half of the new fiscal year ended April 30, 1985, Lee had earnings of $11.4 million, an increase of 23.5% over the comparable period a year earlier, on operating revenues of $100.6 million, up 9.5%. For 15 of the past 16 years, earnings have risen.

The Davenport, Ia.-based company publishes daily newspapers in eight states, operates tv stations in five states, owns directly or indirectly four radio stations in Illinois and Nebraska, participates in cable tv services in Iowa and Wisconsin and, through a joint venture, is a leading producer of photosensitive polymer printing plates for newspapers.

In 1984, the newspapers were particularly strong. Newspaper operating income was up 17% to $13.2 million, 26.3% of total operating profit compared to 24.8% in 1984. Revenues from newspaper operations were $120.8 million, up 10%. Lee president Lloyd Schermer says not all the newspaper division's performance can be attributed to the upturn in the economy.

"We are modifying some of the traditional ways we have operated in order to respond to fundamental changes taking place in our industry," Mr. Schermer says.

A matter of no small concern to newspaper publishers, including Lee Enterprises, is the shift of retail advertising linage from newspapers to ad circulars delivered either as inserts in the newspapers or by mail carriers, thus eroding newspapers' revenue base.

"Our goal," Mr. Schermer says, "is to counter this trend by creating new products which will lead to an increased share of advertising dollars."

To that end, Lee Enterprises' corporate marketing staff was gradually expanded to include: Stuart Schwartz, former associate professor of communication at Georgia State University, now corporate director of newspaper marketing; and Molly Greider, the new director of newspaper and sales promotion. She had a similar title at Lee's *Decatur* (Ill.) *Herald & Review*.

Newspaper advertising and circulation revenues were up 9.1% and 12.8%, respectively, in 1984. Classified advertising and preprint unit increases were primarily responsible for the ad revenue increase.

"Our newspaper groups have targeted an additional 13,000 subscribers during this fiscal year by producing a better product and improving our sales and marketing skills," Mr. Schermer says. "This is a much wiser investment than buying another newspaper with the same circulation at today's prices."

Lee made no additions to its newspaper or broadcast properties in 1984, preferring instead to continue its program of seminars aimed at improving managerial skills. Eight such seminars were held in 1984 and an additional four were scheduled for 1985.

The *Ottumwa Courier* in Iowa converted from afternoon to morning publication, and after six months, circulation has risen above preconversion levels, says the company. Ad linage is up as well.

Hopes are high on a new monthly tabloid, *Western Business*, published by Unicorn Communications, a subsidiary of Lee's *Gazette* of Billings, Mont. With a 26,000 circulation, the business publication reaches subscribers in Montana, Wyoming and the western portions of North and South Dakota. Ad revenue is running 77% above the early forecasts made in January when it started up.

Lee is attempting to save its Call-It Co. business, developed at the time of the AT&T divestiture. Call-It Co. was designed to provide information—from sports scores to weather to Bible readings—to phone callers who are charged for each call through their regular phone bill. Lee had entered the business through a joint venture with Audichron Co., Atlanta, but scuttled that venture in 1984 to move its Call-It Co. in another direction—to use the service to sell information. Under the system, a user (anyone with a telephone) calls a published number for sports scores, weather reports, humorous quips, or Bible readings and quizzes.

The broadcasting group's performance in 1984 was not as strong as that of the newspapers. Broadcasting revenues were up 6.6% to $48.5 million, equal to 20.5% of total revenue in 1984, down from 22.5% in 1983 and 26% in 1982.

Increased competition from independent stations in the markets served by Lee's tv properties, along with weak advertising demand, led to the minimal revenue gains. Higher operating costs associated with KOIN-TV's move to new broadcast facilities in Portland, Ore., coupled with costs related to programing improvements, contributed to reduced operating income in 1984.

NAPP Systems (USA), a joint venture of Lee and Nippon Paint Co. Ltd., Osaka, Japan, has enabled the company's properties to remain on the leading edge of graphic arts technology in the newspaper industry. After the successful 1983 introduction of NAPPPlate IV, also known as the "blueplate," the company is setting its sights on controlled market testing of NAPP-LIGHT, a silverless film. The Plate IV enables a company to adapt its letterpress equipment to offset printing without converting the present equipment.

Lee, NAPP and Nippon Paint continue to explore the opportunities created by flexographic printing, a process that enables newspapers to equal or better offset quality without converting to offset presses.

The *Quad City Times*, Davenport, Ia., started the company's first public access videotex system called Video Times in a Davenport shopping mall. Shoppers can use the touch-screen terminals to call up sale information and other data from more than 1,500 pages of information. The service, begun in December, 1984, is 100% advertiser-supported.

MEDIA PROPERTIES

Broadcasting/video

TV: XGMB, Honolulu; KHQA, Hannibal, Mo.; KOIN, Portland, Ore.; WSAZ, Huntington, W.Va.
RADIO: WTAD (am) and WQCY (fm), Quincy, Ill.; KFAB (am) and KGOR (fm), Omaha, Neb. (partially owned by Journal-Star Printing Co.).
Video Times, videotex in Davenport, Ia.

Magazines/newsletters

Western Business, Billings, Mont.

Newspapers

ILLINOIS: *Decatur Herald & Review, Kewanee Star Courier, Southern Illinoisan Review* (Carbondale). IOWA: *Mason City Globe-Gazette, Muscatine Journal, Ottumwa Courier, Quad-City Times* (Davenport). MINNESOTA: Winona Daily News. MONTANA: *Billings Gazette, Butte Montana Standard, Helena Independent Record, Missoula Missoulian*. NEBRASKA: *Lincoln Star*. NORTH DAKOTA: *Bismark Tribune*. OREGON: *Corvallis Gazette-Times*. WISCONSIN: *La Crosse Tribune, Racine Journal, Wisconsin State Journal* (Madison).

OTHER OPERATIONS

NAPP Systems (USA), manufacturer of graphic system products. Call-It Co.

Lin Broadcasting Corp. RANK **75**
New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	143	102	40.0
Total sales	149	107	38.7
Net income	29	24	23.8
Sales per medium			
Newspaper	0	0	0
Magazine	14	11	273
Broadcast	129	91	41.5
Cable	0	0	0

Last year, LIN Broadcasting Corp., the nation's 75th largest media company, continued to show its stuff as an aggressive, acquisition-minded company with a venturesome investment strategy.

The company acquired two tv stations in 1984, bringing its total to seven, and strengthened its bid for shares of licenses to operate cellular telephone systems in five major markets, including the largest two in the U.S.

Media revenues increased last year an impressive 40%, leaping to $142.8 million. Most of that—$106.3 million—came from the tv stations.The 10 radio stations contributed $22.5 million in revenues. Total revenues were $148.8 million, up 38.7% from the previous year. The only nonmedia activity at LIN is radio paging, accounting for $6 million in revenue in 1984.

The LIN array of properties also includes radio paging service in New York and the Houston-Galveston area of Texas, as well as a string of hardcover magazines distributed to guests in hotels in 31 cities.

LIN cashed in on its 5.1% interest in New Yorker Magazine Inc. for a net profit of about $1.5 million when the magazine publisher voted to approve a buyout offer of $142.4 million made by S.I. Newhouse Jr. of Advance Publications.

According to president Donald A. Pels, 1984 was the 10th successive year of record earnings for LIN, whose profits registered a 24% increase to $29.1 million.

Profits and ratings for LIN's tv properties generally were ahead of the rest of the industry, Mr. Pels says. But it was in tv that the company experienced its "two disappointments" for the year, he says. Over-all industry growth and initial results of new tv stations in Indianapolis and Fort Wayne were not what the company had hoped for. WISH-TV (Indianapolis) and WANE-TV (Fort Wayne), both CBS affiliates, were purchased in April, 1984, from A.H. Belo Corp. for a combined price of $104.9 million. Both "have come off the mark rather slowly," Mr. Pels says.

Besides the Indiana stations, LIN owns two tv stations in Texas and one each in Michigan, Virginia and Illinois.

LIN owns paired am and fm stations in Philadelphia, Houston, St. Louis, Milwaukee, Wis., and Rochester, N.Y., broadcasting in a variety of formats, from country music and urban contemporary to "oldies" music and news-talk. The radio stations showed a combined increase of 26% in profits, according to Mr. Pels. Reflecting a general trend, the company's five fm stations pulled in 70% of LIN's total radio revenues. That's up from 66% in 1983. The company has five am stations as well.

But LIN's most speculative venture has been in the cellular telephone field, where the wireline telephone companies have a built-in advantage, at least in the major markets. Most of the non-wireline entrants have been stalled by legal imbroglios because so many are competing for FCC-awarded licenses. That has left the field wide open for the wireline companies, the divested Bell affiliates.

In New York, for example, LIN has a 45% interest in the nonwireline Cellular Telephone Co. of New York, which has gotten FCC approval. But NYNEX Mobile, which already is operating a cellular system in the New York area, is at least a year ahead of its nonwireline competitor because other applicants have challenged the FCC ruling.

But LIN is counting on being able to attract customers with more up-to-date equipment by the time its system becomes operative.

LIN has filed, as a partner in a variety of joint ventures, for cellular licenses in New York, Los Angeles, Philadelphia, Dallas-Fort Worth and Houston. The first three of those five applications—in three out of the top four cellular markets—all face legal challenges from competitors.

But LIN spokesmen remain confident that the company's investment, expected to reach $25 million this year, will pay off. "At a very modest cost relative to other nonwireline entrants," Mr. Pels says, "LIN is now the second largest factor in this new business and the only carrier to have significant interests in the two largest markets [New York and Los Angeles]." Analysts have predicted that the cellular telephone field will generate anywhere from $2 billion to $6 billion in annual revenues by 1990.

LIN Broadcasting has been cited by some analysts and brokers as a possible target for an unfriendly takeover bid. Michael Plouf, vp-corporate development and treasurer, says there is little concern at LIN for such a prospect. "We don't think LIN is typical of the companies that have been subjected to unfriendly takeovers," he says. "We have a high price-earnings ratio, for one thing. And our management is not vulnerable to the criticism that they're not living up to expectations."

MEDIA PROPERTIES

Broadcasting

TV: WAND, Decatur/Champaign/Springfield/Danville, Ill.; KTVV, Austin, and KXAS, Dallas/Fort Worth, Tex.; WAVY, Portsmouth/Norfolk/Newport News/Hampton, Va.; WOTV, Grand Rapids, Mich.; WISH, Indianapolis, and WANE, Fort Wayne, Ind.
RADIO: WIL (am, fm), St. Louis; WBBF (am) and WMJQ (fm), Rochester, N.Y.; WFIL (am) and WUSL (fm), Philadelphia; KILT (am, fm), Houston; WEMP (am) and WMYX (fm), Milwaukee.

Magazines

GuestInformant and *Leisureguides*, distributed in hotel rooms.

OTHER OPERATIONS

Radio paging operations in New York and Houston-Galveston, and cellular radio ventures approved in several major markets.

Members of the board

The board of directors at Blade Communications is a family affair, as power in vested in directors: Paul Block Jr. and William Block, both co-chairman; William Block Jr., John Block, Allan Block and Donald Block. Three non-Blocks serve on the board. Needless to say, the company is private.

Maclean Hunter Communications RANK **43**
Toronto

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	270	115	135.0
Total sales	704	518	35.9
Net income	49	48	3.2
Sales per medium			
Newspaper	151	15	903
Magazine	50	40	25.5
Broadcast	0	0	0
Cable	70	60	15.8

Maclean Hunter Communications, Toronto, the 43rd largest media company in the U.S., had revenues from U.S. media operations during 1984 of $270.2 million, a 135% increase primarily due to a full-year's inclusion of the *Houston Post* purchased in December, 1983.

Total corporate revenues from U.S., Canadian and British properties jumped 42% in 1984 to $704 million. (Over-all revenue figures in U.S. dollars in this profile are based on the average annual rate of exchange for 1984 of C$1=US $0.78).

U.S. media contributions at Maclean Hunter include cable tv contributions of $69.5 million, up 15.8% from 1983; periodicals that generated more than $50.2 million, up 25.5%, and $150.5 million in revenues from the *Houston Post*, which is owned by the Toronto Sun Publishing Corp., of which Maclean Hunter owns 51%. Maclean Hunter, however, consolidated the full amount into its financial report.

Efficiency measures established during 1984 are credited with increasing *Post* revenues from 1983's $140 million. Some 250 staff positions were trimmed from the production and circulation departments, and "circulation waste" was also cut out, says Donald Hunt, *Post* publisher and exec vp, Toronto Sun Publishing Corp. Further savings were achieved by consolidating all printing in one location from the previous two. While those reductions were occurring, editorial staff was increased by 10%, Mr. Hunt says. "We eliminated $8 million in newsprint costs alone and knocked off about $12 million in costs altogether," Mr. Hunt said.

The *Houston Post* has shown a stable daily circulation of 326,556, and 376,015 for Sunday, according to the reporting period of Sept. 30, 1984, the last available data by ABC on the *Post*. This places it some distance off the pace of market leader, the *Houston Chronicle*. As of March 31, 1985, ABC six-month averages show the Monday through Friday circulation of the *Chronicle* increased 1.4% to 433,380 compared to the same period a year earlier; Sunday paper increased 1.1% to 536,585.

Mr. Hunt expects circulation gains at the *Post* to come about when Houston bounces back from its current economic doldrums.

In periodicals, where Maclean Hunter publishes 157 consumer and business magazines—118 in Canada, 22 in the U.S. and 17 in Britian—revenues were up 18% in 1984. The company canceled plans to increase the frequency of the *Financial Post* from weekly to daily because of competition. It also ceased publication of *Program Guide*, a monthly listings magazine for cable tv because of dissatisfaction with the results, according to Harvey T.M. Botting, Maclean Hunter assistant vp.

Last July, publication of *Western Fisheries* was stopped and the magazine was folded into a new publication, *Pacific Fishing*, which Maclean Hunter acquired last September.

Also acquired last year was *Physician's Management Manuals*, a nonclient, doctor's life-style magazine.

Another business magazine, Building Renovation, published twice a month, was started in September, 1984, as well as *Selected Software*, a spinoff from *Canadian Directory of Software*, an existing Maclean Hunter publication. All three are circulated in the U.S.

In the past year, *C-Store Business* was discontinued, but Maclean Hunter recently acquired Supermarket Insight, a videocassette service for supermarket managers. The service is an extension of the magazine *Progressive Grocer*.

In printing, a new 32-page web offset press has been installed in Toronto. It will provide extra capacity and allow the company to expand its job printing operations, Mr. Botting says.

Cable tv produced a 4% growth in subscribers to 615,000 in the U.S. and Canada in a total of seven systems. During the year, Ontario's cable operations grew by some 12,500 to 372,000 subscribers, spurred by new housing starts.

Maclean now operates five Michigan cable systems in fifteen franchised communities, but subscribership dipped somewhat because of the sale in June, 1984, of Bedford Cablevision Inc. to a Rancho San Diego, Cal., company for about $3.5 million.

Maclean Hunter still has a building and operating agreement with Barden Cablevision of Detroit, but negotiations between Barden and the Detroit city council are bogged down.

In New Jersey, Suburban Cablevision had an excellent year in 1984, with subscribership up to the approximate present number of 175,000 from 163,000 in 1984. It also introduced three new services to customers: Disney Channel, Cinemax and Playboy Channel. Maclean Hunter has attained 80% penetration in its Canadian cable market and 50% in its U.S. markets according to Mr. Botting.

The broadcast division, consisting of 11 radio outlets and two tv stations, all of them Canadian, generated about $52 million last year, up slightly from $51 million in 1983.

Maclean Hunter also owns the nonmedia operations of Transkrit, a U.S.-based business forms company that generates about $30 million a year, along with industrial trade shows, radio paging and book distribution.

In management appointments, J. Robert Furse was appointed vp-finance and chief financial officer, while Wayne Hill was named vp-controller.

U.S. MEDIA PROPERTIES

Cable/video

MICHIGAN: East Detroit, Garden City, Pontiac, Taylor, Temperance, Waterford.
NEW JERSEY: East Orange.

U.S. magazines

American Print & Lithography, Blue Book of Used Truck Valuations, Boxboard Containers, Coal Mining & Processing, Concrete Products, Dog World, Graphic Arts Product News, Hospital Products, Mobile/Manufactured Home Blue Book, Motorcycle Red Book, National Boat Book, Older Car Red Book, Pacific Fishing, Paper-Film & Foil Converter, Physician Management Manual, Progressive Grocer, Progressive Grocer Executive Report, Recreational Vehicle Blue Book, Red Book of Official User Car Valuations, Remodelling Contractor, Rock Products, Supermarket Insights (videocassettes) and *Van Conversion Blue Book.*

U.S. newspapers

TEXAS: *Houston Post.*

Macromedia Inc. RANK **91**
Hackensack, N.J.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	109	97	12.4
Total sales	109	97	12.4
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	86	76	13.9
Magazine	0	0	0
Broadcast	22	21	7.2
Cable	0	0	0

Macromedia Inc., the holding company that owns the Bergen Record Corp. and Gateway Communications, had media revenues of $108.5 million in 1984, up 12.4% from the previous year to rank as the 91st largest media company.

The Hackensack, N.J.-based company had earnings of $9.9 million for 1984, based on revenues of $109.2 million.

Macromedia was created as a holding company Jan. 1, 1984, to establish separation between the company's newspaper and tv operations. The company remains privately held by Malcolm A. Borg and his family trusts.

For the year, newspaper operations for the *Record* produced revenues of $86.2 million, up nearly $11 million from 1983. Tv generated $22.3 million in revenue in 1984.

The *Record*, the largest evening newspaper in New Jersey, spent more than $10 million on modernization in 1984, adding to the $62 million spent on expanding the paper's color and insert-handling capacity during the previous two years.

In only its second full year with four-color capacity, the *Record* carried 4.7 million lines of color advertising. It was ranked first among the nation's newspapers for Sunday color advertising and rose to fourth from eighth among evening and Sunday newspapers for color advertising, as measured by Media Records.

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creased 15.8% from 1983. The newspaper carried 8.5% more advertising linage and 12.1% more insert advertising.

The *Record* is aggressive in its sales pitch to advertisers. It boasts in promotional material that it "reaches the second highest median household income in America," in a market that "accounts for 21% of the retail sales in all of New Jersey."

Yet, the *Record's* circulation, both daily and Sunday, remained flat for 1984, and continuing into 1985, especially the Sunday product. Sunday circulation was 225,520, according to Audit Bureau of Circulations figures for March 31, 1985, a slight increase of 0.8% from the comparable figure in 1983.

Average daily circulation for the same period increased 2.2% to 156,954.

The paper has launched a program to expand its circulation by reaching into neighboring Passaic and Morris counties. The *Record* expanded its facilities in Wayne, N.J., and opened a Passaic/Morris headquarters in September. The newspaper has become the largest selling newspaper in Passaic County, with 35,577 circulation, according to the company's spokeswoman.

"We anticipate much success in this area over the next few years and look forward to moving closer to our goal of becoming the dominant paper in Passaic and Morris counties," says Frank Savino, vp-marketing for the *Record*.

Editorially, the newspaper received first-place awards from the New Jersey Press Assn. for editorial comment, enterprise, business writing, general typography, and the content and layout of the front page, editorial section and sports section.

Macromedia's Gateway Communications division, based in Cherry Hill, N.J., operating four vhf tv stations, had a 7% increase from 1983 revenues of $20.8 million.

The company's CBS affiliates are located in Binghamton, N.Y., the nation's 133rd largest market (according to the Areas of Dominant Influence established by Arbitron Ratings Co.); Lancaster/Lebanon, Pa., the 46th market, and Johnstown/Altoona, Pa., the 49th market. It also operates an ABC affiliate in Charleston/Huntington, W.Va., the 44th market.

No tv purchases are planned by Macromedia, according to Michael H. Heath, president. However, the company has a continuing interest in acquiring other tv properties, he says.

MEDIA PROPERTIES
Broadcasting
TV: WBNG, Binghamton, N.Y.; WLYH, Harrisburg/York/Lancaster/Lebanon, Pa.; WOWK, Charleston/Huntington, W.Va.; WTAJ, Johnstown/Altoona, Pa.
Newspapers
NEW JERSEY: *Record* (Hackensack).

McCall Publishing Co.
New York
RANK 93

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	106	90	17.8
Total sales	106	90	17.8
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	106	90	17.8
Broadcast	0	0	0
Cable	0	0	0

McCall Publishing Co., the 93rd largest media company, found the market a tough sell in 1984 in increasing ad sales by 18.5% for the company's flagship.

According to Advertising Age estimates, media revenues in 1984 were $106 million on a net basis, up 17.8% from the estimate in 1983. Privately held McCall's total media has been netted for comparable treatment with publicly held companies. The treatment, not applied in 1983's estimates, caused 1983 to be restated.

McCall's estimated gross revenues were $142.8 million, up from $127 million in 1984, according to exec vp Andrew Dempsey, who terms the netting of McCall's figures as "ludicrous." The difference between net and gross essentially is that net is the elimination of agency commission and ad discount rates from the Publisher's Information Bureau advertising estimates, and the factoring out of circulation procurement costs.

The managers of the company, owned by the Pritzker family of Chicago, sound a little tentative when they talk about just having completed "a good year . . . but we're looking forward to better in 1985." One executive acknowledges off the record that 1984 was "difficult. The economic climate wasn't as bullish as we had hoped, but we came out of it well."

A $2.5 million ad campaign in 1984 for *McCall's* circulation could not stem a drop in total circulation to 6.2 million, a September, 1984, figure off about 43,000 subs from the prior year, according to ABC audited statements. The drop was "insignificant," according to Mr. Dempsey, and did not affect the magazine's status as the nation's eighth largest magazine.

The ad campaign, designed by Levine, Huntley, Schmidt & Beaver, emphasized the appeal of *McCall's* to modern, upscale, with-it readers. Print, tv and outdoor ads portrayed rock singers Tina Turner, Carly Simon, Cher and designer Diane von Furstenburg as *McCall's* readers. Ms. Turner was depicted as "one of the drab homebodies who reads *McCall's*," while Cher was "one of the typical mothers."

Harold Levine, chairman of the ad agency, says the approach, which continues into 1985, seeks to break through "the clutter, the sameness" of media advertising, while getting media planners to perceive that the magazine is "talking directly to the baby-boom generation, talking in a language they understand."

It's all part of a new strategy to carve out for the magazine an identity separate from other women's magazines, editor Robert Stein says. The magazine wants agency media planners to understand that "*McCall's* isn't the type of magazine their mothers used to read," he says.

"Part of the problem is that all of the women's magazines are seen as the same," he says. He objects to the term "Seven Sisters," for the traditional women's magazines, as a "phrase which belongs to another era." *McCall's*, he says, "has more quality, goes deeper into subjects, is more useful to the reader, makes them think more" than other women's magazines.

And it's more clairvoyant, the magazine could have claimed last spring. The March issue of *McCall's*, with a cover story on Princess Diana's expected second pregnancy, appeared the day after Buckingham Palace announced the occurrence. That issue was one of the year's most successful, not only in terms of circulation but also for the amount of media attention it attracted, Mr. Stein says.

The company's other publications showed significant circulation increases in 1984. *Working Mother*, for example, showed a 7.3% increase to 519,979, according to the company, while *Working Mother Digest*, a special edition distributed by Kinder-Care Learning Centers, was handed out to more than 400,000 people. The company's annual special interest publications, *Cooking School* and *Beauty, Diet & Health Guide*, accounted for a distribution of 950,000 between them.

McCall Publishing continues to hold a 50% interest in American Family Publishers and 33⅓% in Select Magazines, which last year lost a major contract for domestic distribution of *Newsweek* to Triangle Publishing. The reported merger last September of Select Magazines with Warner publisher "ultimately fell through," according to Mr. Dempsey. The company continues to be beset by industry rumor—all of these denied vehemently—that the Pritzker's are seeking a buyer for *McCall's*. This includes the report two months ago by *New York Daily News*' columnist Liz Smith that *National Enquirer's* owner Gene Pope would buy the women's magazine for $75 million.

The Pritzker's, a family of lawyers with controlling interest in the Hyatt Corp. and Braniff Airlines, leave the running of their magazines largely in the hands of McCall managers and editors, said Mr. Stein. The principles in this family include Jay Pritzker, the financial wizard of the family, and brother Robert, who manages most of the Pritzker company. Their father, A.N. Pritzker, also continues to be active in family business affairs, though McCall Publishing managers usually deal directly with chairman Allen Turner, said Mr. Stein.

MEDIA PROPERTIES
Magazines
McCall's, Working Mother, Working Mother Digest, Cooking School, Beauty, Diet & Health Guide.
OTHER PROPERTIES
American Family Publishers (50% owned), Select Magazines (33⅓% owned).

McClatchy Newspapers
Sacramento, Cal.
RANK 47

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	255	215	18.6
Total sales	255	215	18.6
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	217	183	18.6
Magazine	0	0	0
Broadcast	12	10	20.0
Cable	13	11	18.2

McClatchy Newspapers, Sacramento, Cal., is the nation's 47th largest media company, with 1984 revenues estimated by Advertising Age at $255 million, all from media operations.

McClatchy's media revenues, generated by seven daily newspapers, three weeklies, four radio stations and four cable systems, were up 18.6% from 1983's estimate. Newspapers represent about 85% of this family-owned business.

Circulation at the *Anchorage Daily News* is "growing at a very strong clip," corporate vp Edwin Potts says. McClatchy bought an 80% interest in the morning daily in 1979, when its circulation was 12,000. According to the ABC report of Sept. 30, 1984—the latest available—the *Daily News* stands at 48,077 during the week and 56,456 on Sunday. The competing *Anchorage Times* had a circulation of 43,121 daily and 51,965 Sunday in the same period.

Mr. Potts says the *Daily News* has captured 51% of the retail advertising market, with classified ad share at 54.6% as of March, 1985. A sign of the paper's condition is a $25 million-plus building project that is scheduled to start "as soon as the snow melts," Mr. Potts says.

McClatchy is best known for its ownership of the *Sacramento Bee, Fresno Bee* and *Modesto Bee*. Each daily has shown small gains during the past year. The Sacramento Bee, the only one of the three in a competitive market, has also shown circulation increases. Daily circulation for the six months ended March 31, 1985, was 230,160, up 2.6% from the corresponding period in 1984, according to the ABC. Sunday circulation for the same periods rose 1.8% to 263,763.

These figures far surpass those of the competing *Sacramento Union* (102,317 daily and 101,182 Sunday, according to the March 31, 1985, ABC report). Part of the *Sacramento Bee's* circulation come-on has been a Wingo (lucky numbers) game.

The *Bee* in 1984 got a new executive editor, Gregory Favre, a former *Chicago Sun-Times* managing editor. Mr. Potts says the paper has added some sections, expanded its business coverage and is using more color. He says the paper has an advertising share of close to 70% in both retail and classified areas.

At the *Gilroy Dispatch*, a five-day-a-week paper serving the southern end of Silicon Valley, "things are looking better . . . the market is stronger than a year ago," says Mr. Potts. According to the Sept. 30, 1984, ABC report, circulation is 9,879.

The *Tri-City Herald*, based in Richland, Wash., has eased the rate of its circulation decline, with a drop to 33,746 for the six months ended March 31, 1985, according to the ABC, from 34,859 in the similar period in 1984. Sunday circulation also dropped from 37,391 to 36,411.

During the past two years, a new electronic communication division has brought major changes to McClatchy. Headed since January, 1984, by Frank Washington (formerly vp-general manager for Videotex America, Times Mirror Co., Los Angeles), this division oversees McClatchy's ventures in radio, cable and videotex.

LegiTech, a computerized service for tracking state legislation and political contributions, acquired in 1982, is sold for a fee to magazines, newspapers, government agencies and lobbyists in California, New York and Washington (added in March, 1985). Mr. Washington says the service is doing "fairly well" despite competition.

One of two videotex projects launched in 1984, Eldorado Teleguide is an advertiser-supported public access operation based on the software technology provided by Infomat of Toronto.

During the past year, McClatchy has installed more than 60 new terminals with 3,200 pages of information on restaurants, hotels, local events and other subjects in the Sacramento, Reno and Lake Tahoe areas, bringing the number of terminals in operation to about 100.

The other videotex project is Grass Roots California, a partnership with Times Mirror Co. and the *Bakersfield Californian*. Centered in the San Joaquin Valley, the system offers weather, commodity and farm management information to the agricultural community.

McClatchy's cellular radio project, a joint venture with FMI, Miami, and Cellular Communications, New York, is still not off the ground. Mr. Washington says McClatchy has "pieces of construction permits" in Fresno and Oxnard, Cal., and is exploring other opportunities in this burgeoning field.

The Fresno country music station KNAX (fm) has jumped from a 2.3 to a 5.6 rating during the past year, while news/talk station KMJ (am), Fresno, moved up one point to remain the primary station in its category.

"We don't have a competitor in news/talk," Mr. Washington says. In Sacramento, news/talk station KFBK (am) is also No. 1 in its field, as is country music station KAER (fm).

Mr. Washington says McClatchy is taking some new approaches to cable tv, "particularly in the marketing but also in the operations area." Using research to target its audience is also part of the new effort, as is "looking at pricing sensitivity . . . what the threshold of pain for our subscribers is."

Modest gains have been the rule for the subscriber bases at each of four systems. Norcal Cablevision has 2[illegible],107 subscribers (nearly unchanged from last year), Fresno Cable TV Ltd. rose slightly to 44,105 from 42,500 subscribers, Sequoia Cablevision moved up slightly to 10,585 subscribers from 9,400 in the Tulare area, and Telcab Communications serves 3,741 subscribers in the Reno, Nev., area, up slightly from 3,400 last year.

MEDIA PROPERTIES
Broadcasting
RADIO: KMJ (am) and KNAX (fm), Fresno, Cal.; KFBK (am) and KAER (fm), Sacramento, Cal.
Cable/video
CALIFORNIA: Norcal Cablevision, Yuba City; Sequoia Cablevision, Tulare; Fresno Cable TV Ltd., Fresno. NEVADA: Tel-Cab Communications, Reno.
Newspapers (dailies)
ALASKA: *Anchorage Daily News* (80% interest). CALIFORNIA: *Fresno Bee, Gilroy Dispatch, Hollister Freeland* (50% interest), *Modesto Bee, Sacramento Bee.* WASHINGTON: *Tri-City Herald* (Richland).
Newspapers (weeklies)
CALIFORNIA: *Clovis Independent, Lincoln News Messenger, Morgan Hill Times.*
Other media operations
San Joaquin TV Services (an earth station operator), Fresno, Cal.; Fresno MDS Co. (33% owned), a multipoint distribution system, Fresno, Cal.; LegiTech (90% owned), a legislative information service, Sacramento, Cal., and Albany, N.Y.; Eldorado Teleguide, a public access videotex operation, Sacramento, Cal.; Grass Roots California, an agricultural videotex service (33% owned), Sacramento, Cal.

McGraw-Hill
New York
RANK 14

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	964	879	9.7
Total sales	1,402	1,296	8.2
Net income	292	262	11.6
Sales per medium			
Newspaper	0	0	0
Magazine	672	630	6.7
Broadcast	82	72	14.4
Cable	0	0	0

McGraw-Hill, New York, is the 14th largest media company in 1984 with media revenues of $963.7 billion, up 9.7% from the prior year.

Media contribution to total revenues increased from 67.9% in 1983 to 68.8% in 1984 on total revenues of $1,402 billion, up 8.3% from the previous year.

McGraw-Hill Book Co., representing $438.1 million in revenues, is the only nonmedia contribution to McGraw-Hill's total revenues.

In 1984, McGraw-Hill began an acquisition hunt that led to the acquisition of six companies, while reorganizing McGraw-Hill.

As part of the corporate realignment, McGraw-Hill reduced the number of operating companies from six to five by creating the McGraw-Hill Financial & Economic Information Co. to include Standard & Poor's Corp., Data Resources and Monchik-Weber Corp.

Advertising Age considers as media the McGraw-Hill Information Systems Co. (F.W. Dodge and Sweet's divisions including four magazines and two newsletters), with sales of $340.2 million, up 2.2% from the prior year; McGraw-Hill Publications Co. (60 magazines, newsletters and newswire service including *Business Week*), with sales of $331.5 million, up 11.7% from 1983.

McGraw-Hill Broadcasting Co. (four tv stations in major markets) had revenues of $81.9 million, up 14.4%; and McGraw-Hill Financial & Economic Information Co. had revenues of $210.1 million, up 18.2%.

Last year's acquisitions were integrated into three of McGraw-Hill's operating companies.

The company's major acquisition of which was Monchik-Weber Corp., a provider of computer and information products for the financial services industry. It was purchased for $56 million.

Two other acquisitions—Center for Communications Management, which provides rate data and other information on telecommunications services, and Future Computing, supplying marketing data and analyses on the personal computer industry—were merged into the McGraw-Hill Information Systems Co.

This June, McGraw-Hill made its first major venture into the cable industry by linking up with Tele-Communications Inc. and Telecrafter Corp. to form X-Press Information Services. In the partnership, McGraw-Hill will provide the news and information service to be delivered to computers over cable tv wires, and manage and produce the editorial content of the system.

Within McGraw-Hill Publications Co., *Business Week* led all U.S. magazines in ad pages in 1984 with 4,972, up 7.1%, and ranked sixth among all U.S. magazines in ad revenue with $184.8 million, up 18.3%.

In August, *Business Week's* Lewis Young, who guided the magazine for 15 years, resigned as editor-in-chief. Executive editor Stephen Shepard was named to succeed Mr. Young.

Within the publications company, *Aviation Week & Space Technology, Chemical Engineering* and *Textile World* produced their first Chinese editions, produced in conjunction with China Consultants International.

Also, Aviation Week's 1984 special issue on the commercialization of outer space and *Graduating Engineer's* special issue on computer careers were introduced as new publications.

At the same time, Nikkei-McGraw-Hill, McGraw-Hill's joint venture partner in Japan, introduced Nikkei BYTE, Nikkei Venture and *Nikkei Datapro Personal Computers.*

McGraw-Hill's four tv stations had an increase in operating profits of 17.9% on improved revenues of 14.5% as revenue from local and national time sales grew 15% each.

The Olympics boosted sales at the company's ABC affiliates in Indianapolis and San Diego. Its other two stations are CBS affiliate, KMGH, Denver, and NBC affiliate, KERO, Bakersfield, the latter of which linked up last December with McGraw-Hill's *Aviation Week & Space Technology* to produce and air a pilot, "Wings," to be run on the three other stations in 1985.

MEDIA PROPERTIES

Broadcasting

TV: KERO, Bakersfield, and KGTV, San Diego, Cal.; KMGH, Denver, and WRTV, Indianapolis.

Financial services

Standard & Poor's Corp. Records, Blue List, Trendline, Outlook, CreditWeek International, Stock Reports, MarketScope, Unit Investment Trusts, The High Tech Handbook.

Information services

Center for Communications Management, Construction Analysis System, Construction Forecasting Service, Cost Information Services, CYMA Corp., Data Resources, Data Resources Economic Information, Datapro Reports, Dodge Reports, Educational Management Services, Future Computing Inc., Healthcare Information Services, Monchik-Weber Corp., Multi-List, Occidental Consulting Group, Product Information Network, Scan, Sweet's Catalogs, World Bulletin.

Joint venture corporations

Electronic Markets & Information Systems Inc. (worldwide chemical petroleum trading and information systems company owned jointly by McGraw-Hill and I.P. Sharp Associates Ltd.), American Industrial Report Ltd. (publishing company jointly owned by McGraw-Hill and China Consultants International Ltd.), Nikkei McGraw-Hill (publishing company jointly owned by McGraw-Hill and the Nihon Keizai Shimbun Inc. of Tokyo).

Magazines

American Machinist, Architectural Record, Aviation Week & Space Technology (U.S. & Chinese), *Business Week, Business Week International, BYTE, Chemical Engineering* (U.S. & Chinese), *Chemical Week, Coal Age, Computer/Systems Equipment Design, Corporate Scoreboard, Communications/Systems Equipment Design, Data Communications, Electrical Construction & Maintenance, Electrical Wholesaling, Electrical World, Electronics Weekly, Engineering & Mining Journal, Engineering News-Record, Fleet Owner/Big Fleet Edition, Fleet Owner/Small Fleet Edition, Graduating Engineer, Industrial Electronics Equipment Design, International Management, Military/Space Electronics Design, Modern Plastics, Modern Plastics International, NC Shop Owner, Physician and Sports Medicine, Popular Computing, Postgraduate Medicine, Power, Textile Products & Processes, Textile World* (U.S. & Chinese), *33 Metal Producing.*

Newsletters

Biotechnology Newswatch, Coal Statistics International, Coal Week, Coal Week International, Electrical Marketing, Electrical Utility Week, E&MJ Mining Activity Digest, Green Markets, Inside Energy/with Federal Lands, Inside F.E.R.C., Inside N.R.C., International Construction Week, International Petrochemical Report, Keystone News-Bulletin, Long Term Care Management, Medical Utilization Review, Medicine and Health, Metals Week, Metalworking Sales Leads/MSL, Nuclear Fuel, Nucleonics Week, Platt's Energy Litigation Report, Platt's Oilgram News, Platt's Oilgram Price, Platt's Oil Export/Import Report, Platt's Oil Marketing Bulletin, Platt's Oil Policy Letter, Securities Week, SynFuels, Washington Health Record, Washington Report on Health Legislation and Regulation.

Newswires and Services

Chemical Week Newswire Service, EMIS (Electronic Markets and Information Systems), Fuel Price Analysis, Green Markets Newswire, McGraw-Hill World News, McGraw-Hill's Solventwire, Metals Week Insider Report, Platt's Bunkerwire, Platt's Crude Oil Marketwire, Platt's L.P. Gaswire, Platt's Oilgram Marketscan, Platt's Oilgram News/Wire, Platt's Petrochemical Scan, Platt's Polmerscan World News (Internal Service only).

OTHER OPERATIONS

McGraw-Hill Book Co.

RANK
35

Media General

Richmond, Va.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	305	315	-3.1
Total sales	548	508	7.9
Net income	40	36	10.7
Sales per medium			
Newspaper	241	209	15.6
Magazine	22	20	8.0
Broadcast	35	51	-31.6
Cable	7	5	40.0

Media General, Richmond, Va., the 35th largest media company in the U.S., had 1984 media revenues estimated by ADVERTISING AGE of $305 million in 1984, up 7.9% from the prior year.

Total revenues increased 7.9% to $507.8 million in 1984, and net income increased 10.7% to $39.8 million.

Of the 1984 media revenues, newspapers accounted for $241.4 million, up 15.6% from 1983. Revenues from magazines increased 8% to $21.6 million, and cable operations had revenues of $7 million, up 40%.

But revenue from Media General's broadcasting operations dropped from $51.2 million to $35 million, primarily because of a continued decline at Media General Broadcast Services, the former William B. Tanner Co. of Memphis, which Media General purchased in 1982.

For the purposes of this analysis, AD AGE figures do not include ad placement revenues from Media General Broadcasting Services.

In its profitable newspaper division, revenues increased 15.6% in 1984. Media General merged its evening Winston-Salem, N.C., *Sentinel* and morning *Journal.*

The all-day *Sentinel* had a daily circulation of 105,428, down 1.4%, and Sunday circulation of 98,509, up just under 1%, according to ABC audits for the six-month period ending March 31, 1985.

In Tampa, Fla., the *Tribune* showed a 19.8% gain in ad revenues in 1984, with profits rising 29.5% in what Media General officials called a market area of "explosive growth." The *Tribune*, according to ABC audited statements ending March, 1985, had daily circulation of 225,748, up 9.1%, and Sunday circulation of 297,802, up 5.5%.

Printing presses at all three daily newspaper groups—the Richmond, Va., papers are the third—are being converted from letterpress to offset, and the paper's width has been reduced to 55 ins. from 58 or 59 ins., conforming to industry standards and saving an estimated $2.3 million in newsprint costs annually.

In all three markets, Media General initiated a total market coverage (tmc) program, enabling advertisers to place preprinted ads in the newspaper while the ads are distributed concurrently by mail to nonsubscribers.

Media General reported an over-all revenue increase of 22% in 1984 in its three tv stations in Tampa and Jacksonville, Fla., and Charleston, S.C. A proposed $25 million sale of WJKS-TV in Jacksonville fell through. The would-be buyer, Macromedia's Gateway Communications, could not conclude a deal with the local vhf public broadcasting channel to switch frequencies with WJKS, a uhf station. Subsequently, NBC renewed the station's affiliation for two years.

Cable revenues increased, but heavy costs related to major capital outlays at Media General's Fairfax County, Va., cable system and reduced sales by Media General Broadcast Services, produced a loss in operating profit of $3.7 million, down from a gain of $10.8 million the previous year. The Fairfax system began operating late in 1983.

Some 1,500 miles of cable wiring remain to be installed in the 2,800-mile system.

Media General's cable operations date to 1968 when it purchased a system in Fredericksburg, Va. Other systems include Hillsborough and Pinellas counties in Florida. The company during 1984 dropped NewsScan, an experimental service providing news and ads to the local cable company in Winston-Salem.

The $185 million, 126-channel Fairfax cable system, now serves some 58,000 customers, with 137,000 expected upon completion in 1986. Media General says 60% of the homes passed to date have signed on, paying an average of $28 monthly, in the top 2% of cable networks. When completed, the system should generate revenues of $50 million a year, Media General says.

Thomas E. Waldrop, a divisional operating officer at Media General, was named chairman-ceo of Fairfax Cable.

Media General Broadcast Services, the media-buying arm of Media General, continues to restructure its organization after two years of substantial losses and a continuing federal investigation of its former owner, William B. Tanner. Various lawsuits involving the sale and alleged improprieties remain to be settled in federal and state courts.

To strengthen MGBS' image, Media General has installed a new management team, embarked on a $1 million ad program, and moved its media buying and sales operations to a new 23,000-sq.-ft. building in New York. MGBS plans a fall introduction of a 26-week syndicated late-night show, "Comedy Tonight," in an attempt to capitalize on the $500-million-a-year tv syndication market.

MGBS had 1984 revenues of $55.8 million, down 18% from 1983, but officials say they remain confident the operation can be turned around through new ventures such as tv syndication.

Personnel changes at Media General in 1984 saw James S. Evans, formerly president-chief operating officer, replace Alan S. Donnahoe, who retired as ceo while continuing as vice-chairman and director. J. Stewart Bryan III, publisher of Richmond Newspapers, was elected vice-chairman this January.

MEDIA PROPERTIES

Broadcasting

TV: WCBD, Charleston, S.C.; WJKS, Jacksonville, Fla., and WXFL, Tampa.

Cable/video

Tribune Cable Network, serving Hillsborough County and Pinellas County in Florida. General Cable, Fredericksburg, Va., serving Fredericksburg and Spotsylvania and Stafford counties. Media General Cable of Fairfax, Fairfax, Va., serving Fairfax County.

Magazines

Cliggott Publishing Co.: *Consultant, Journal of Respiratory Diseases, Psychosomatics, Journal of Musculoskeletal Medicine.*

Newspapers (dailies)

FLORIDA: *Tampa Tribune.* NORTH CAROLINA: *Winston-Salem Sentinel.* VIRGINIA: *Richmond News-Leader, Richmond Times-Dispatch.*

Newspapers (nondailies)

CALIFORNIA: Highlander Publications, publishing 25 weeklies in the Orange County-Los Angeles area. Golden West Publishing, Mission Viejo, publishing eight papers in the area between Los Angeles and San Diego.

OTHER OPERATIONS

Beacon Press (commercial printing), Garden State Paper Co., (newsprint manufacturer), Media General Financial Services (financial data dissemination), Onduline-USA (building materials), Media General Broadcast Services (tv-radio services in five areas: Media placement, special products, broadcast services, tv sports network, travel operations), Technical Information Distribution Service, an electronic database publishing company.

RANK
33

Meredith Corp.

Des Moines, Ia.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	327	289	13.3
Total sales	451	448	0.6
Net income	38	33	15.3
Sales per medium			
Newspaper	9	9	0
Magazine	210	189	11.3
Broadcast	104	89	17.3
Cable	4	3	59.3

Expansion in the tv station market during 1984 and 1985 will continue to build media revenues at Des Moines-based Meredith Corp., which recorded $327.2 million in media revenues in fiscal 1984, up 13.3% from 1983, ranking the company the 33rd largest U.S. media company.

Meredith's performance in media far exceeded the company's over-all revenue performance that edged up only 0.6% to $450.6 million during fiscal 1984. Net income of $38.4 million was up 15% from the previous year. Current figures for Meredith are based on the fiscal year ended June 30, 1984.

Meredith, in the three-quarter period ending March 31 of its current fiscal year, showed much improved sales compared with those of the previous year. Year-to-date revenues of $354.6 million were up 6.2%, and net earnings of $33.4 million were up 20.5%.

During fiscal 1984, the company's magazine properties had $210 million in revenues, followed by broadcast at $103.8 million, and minor contributions of an estimated $4.3 million from cable, up 59.3%, and $9 million from newspapers, the same as in 1983.

Broadcast, up 17.3%, showed the greatest growth among the Meredith media lineup. The company owns and operates seven tv stations, of which three are uhf and four are vhf, but that will change soon. Crossing the former 7-7-7 rule barrier for the first time, Meredith expects to add a fifth vhf station soon—KVVU-TV, Las Vegas, owned by Carson Broadcasting Corp. Tv personality Johnny Carson has a 30% interest in the company, which reportedly is seeking $30 million in the sale. Had the FCC not relaxed the ownership rule, Meredith had been prepared to dispose of one of its tv stations to gain the Carson property.

Meredith, which last year acquired NBC affiliate KSEE-TV of Fresno, Cal., and WOFL-TV, an independent uhf station in Orlando, says the over-all increase in broadcasting revenues and profits can be attributed to their performance.

While the company continues to emphasize its commitment to tv, it is bowing out of radio—a process begun in 1983 with the divestiture of its Kansas City, Kan., and Omaha, Neb., radio stations. This April, Meredith reached an agreement to sell its remaining properties—all located in Georgia—to a subsidiary of Cincinnati-based Jacor Communications for $20 million.

The radio units are paced by WPCH-FM, Atlanta, the regional market leader in the easy listening category. Other properties include WGST-AM, Atlanta, and Georgia Radio News Service.

Saddled with construction costs and general cost increases, Meredith's cable holdings increased their losses over the previous year despite higher revenues. Construction is completed on the two systems the company owns in part, and plans include augmenting subscriber rolls to improve the picture.

Last October, Meredith increased its 50% stake in Planned Cable Systems Corp. of Fort Lauderdale, Fla., to 67%. Planned Cable carries programing to 2,950 subscribers. In addition, Meredith owns 81% of Texas-based Star CATV Investment Corp., a cable system that serves 33,449 subscribers in Texas, Louisiana and Arkansas.

Meredith's publishing division, consisting of six major magazines, 17 *Better Homes and Gardens* special interest publication titles and 22 community newspapers in California, had its most profitable year in 1984.

Last September, the publishing group's vp, editor-in-chief Neil Kuehl, became vp-product development, lending support to Meredith's continued search for new magazine opportunities.

All Meredith publications recorded higher ad revenues, while *Better Homes and Gardens* and *Successful Farming* also posted record earnings. *Better Homes and Gardens*, which reaches 8 million subscribers, increased ad rates 7.25% in March.

Metropolitan Home, which also experienced a strong increase in ad pages and revenues, continued on a profitable course, which began in March, 1984, when the publication presented the themed issue "Elements of Style." The March blockbuster ran 163 ad pages, compared with 67.3 pages the previous year. This success has led publisher Stephen Burzon to schedule seven themed issues for 1985, compared with two in 1984.

In other developments, Meredith butted heads with the FCC over the failure of its CBS affiliate in Syracuse, N.Y., WTVH-TV, to comply with the Fairness Doctrine. The FCC charged the station with failure to provide sufficient airtime for critics to respond to a paid advertisement by the Energy Assn. of New York that advocated the construction of a nuclear power plant. WTVH-TV has asked the FCC to reverse its decision and review its rights under the First Amendment because it was a paid advertisement.

AMERICA'S 82ND MARKET ALSO IS AMONG AMERICA'S TOP 8 CITIES!

Harrisburg, Pennsylvania. America's 82nd largest metro area is now in elite company. USA Today and the Citizen's Forum on Self-Government named Harrisburg one of the nation's top 8 cities this spring.

An ad in The Harrisburg Patriot-News captures 62% of the adults of this "All-America" city daily and a 79% audience share on Sundays*.

Get details from Bob Cobaugh, at The Patriot-News (717) 255-8203, or any office of Newhouse Newspaper Sales.

*Belden Associates, 1983

HARRISBURG PATRIOT-NEWS

A Newhouse Newspaper

cpm

The company's continued emphasis on tv also included shifting operations of its broadcasting group to Des Moines from New York.

MEDIA PROPERTIES

Broadcasting

TV: KPHO, Phoenix; KSEE, Fresno, Cal.; WOFL, Orlando, Fla.; WNEM, Bay City, Mich.; KCTV, Kansas City, Mo.; WTVH, Syracuse, N.Y.; WPGH, Pittsburgh, Pa.

Cable/video

Star CATV Investment Corp. (81% owned by Meredith), Waxahachie, Tex., operates 112 systems in Texas, Louisiana and Arkansas. Planned Cable Systems Corp., Fort Lauderdale, Fla., (67% owned by Meredith) offers subscription cable tv services in planned unit developments.

Magazines

Better Homes and Gardens, Country Home, Farm Computer News, Metropolitan Home, Sail, Successful Farming, Better Homes and Gardens Special Interest Publications, Better Homes and Gardens Family Shopping Service, *Australian Better Homes And Gardens, Better Homes and Gardens WOOD.*

Newspapers

CALIFORNIA: Community newspapers serving the Los Angeles area—*City News, City Press, Griffith Park News, Hollywood Independent, Los Feliz Hills News, Northwest Leader, Parkside Journal, West Hollywood Sun Living, Westlake Post, Wilshire Independent, Wilshire Press.* Community newspapers serving the San Jose area—*Campbell Press, Cupertino Courier, East San Jose Sun, Los Altos Town Crier, Los Gatos Times Observer, Milpitas Post, Mountain View Sun, Santa Clara Sun, Saratoga News, Sunnyvale Scribe.*

OTHER OPERATIONS

Wholly owned subsidiaries—*Better Homes and Gardens* Real Estate Service; *Better Homes and Gardens* Insurance Agency Inc.; *Better Homes and Gardens* Securities, Inc.; Meredith International, Ltd.; Meredith Relocation Corp.; Meredith Mortgage Corp. (subsidiary of Meredith Relocation Corp.); Meredith Video Publishng Corp.; MerPrint Company; Sail Publications.

RANK

Metromedia Inc. 28

Secaucus, N.J.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	430	387	12.1
Total sales	646	539	21.3
Net income	-51	-102	-49.7
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	417	372	12.2
Cable	0	0	0

For Metromedia Inc., the 28th largest media company, 1984 was the year it made a bold financial and corporate move that caused its departure from the tv broadcasting business.

The Secaucus, N.J.-based company, which went private in mid-1984 in a leveraged buyout, and then sold off its tv stations in mid-1985, earned its ranking on the basis of an estimated $430 million in media revenues turned in for 1984, up 12% from 1983.

Metromedia had total revenues of $646.1 million, up 21.3% from 1983.

As a result of the sale of its tv properties, Metromedia will glean its future media income from radio broadcasting and outdoor advertising. The company's nonmedia activities, including ownership of the Ice Capades and the Harlem Globetrotters, and cellular radio systems covering paging, beeping and conventional mobile radio services, have been retained.

The past 18 months have been epochal for Metromedia. Early in 1984, the company announced it was going private by buying its own common stock through a leveraged buyout. Metromedia borrowed $1.3 billion to pay for the stock. In a leveraged buyout, the company is confident of receiving the funds to pay the debts from ongoing or divested properties.

On June 20, 1984, the company formally went private, owned by a new operation called JWK Acquisition Corp. From then until the end of 1984, the company reported a net loss of more than $60 million, including $24.4 million in debts associated with going private. Also on the minus side for the second half of 1984, the company said interest payments totaled $129 million of which $71 million showed up in the red. (This was offset somewhat by operating income of slightly more than $57 million for the period.)

For the second half period of 1984, according to documents filed with the Securities & Exchange Commission, broadcasting contributed 60.2% of consolidated net revenues, and of the broadcasting amount, 83% was tv and 17% was radio. Telecommunications, covering primarily cellular radio, accounted for 22.3% of consolidated net revenue; outdoor advertising, 2.1%, and entertainment, 15.1%.

In May, 1985, Metromedia announced the sale of its seven tv stations in a deal estimated at $2 billion. Six of the stations—KRIV, Houston; KTTV, Los Angeles; WNEW, New York; WFLD, Chicago; WXIX, Cincinnati; WTTG, Washington—went to Twentieth Holdings Corp., a new company created by Rupert Murdoch and Denver oilman Marvin Davis, coowners of 20th Century-Fox Film Corp.

Twentieth Holdings then sold the remaining station, WCVB, Boston, to Hearst Corp. for $450 million. Metromedia had purchased the station in 1982 for $220 million.

Metromedia is planning to sell its Metromedia Producers Corp., maker of a number of first-run tv projects, to Robert Bennett, Metromedia's senior vp-broadcasting and programing.

MEDIA PROPERTIES

Broadcasting

RADIO: KLAC (am) and KMET (fm), Los Angeles; KHOW (am), Denver; WWBA (fm), Tampa/St. Petersburg, Fla.; WCBM (am), Baltimore; WNEW (am, fm), New York; WOMC (fm), Detroit; WIP (am) and WMMR (fm), Philadelphia; KRLD (am), Dallas/Ft. Worth; KJR (am), Seattle; WASH (fm), Washington.

OUTDOOR

Foster & Kleiser (45,000 boards in 19 markets).

OTHER OPERATIONS

Metromedia Telecommunications, Metromedia Producers Corp., MetroTape, Harlem Globetrotters, Ice Capades, Ice Capades Chalets.

RANK

Morris Communications Corp. 53

Augusta, Ga.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	218	196	11.0
Total sales	218	196	11.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	218	196	11.0
Magazine	0	0	0
Broadcast	0	0	0
Cable	0	0	0

Morris Communications Corp., Augusta, Ga., which took steps in mid-1985 to diversify into other media forms to complement its newspaper properties, was the 53rd largest media company with revenues estimated by ADVERTISING AGE at $218 million in 1984, all in media.

Revenues were up about 11% from 1983 at the tightly held company, a publisher of newspapers located in communities characterized by steady growth and diversified economies ranging from fisheries, timber, cotton, diversified farming and livestock, to seafood processing, chemicals, paint, furniture-making and shipbuilding, tourism, and textiles.

Morris struck an agreement in May, 1985, to buy Naegele Outdoor Advertising Cos., Minneapolis. Naegele has operations in 12 states and 25 cities, including Minneapolis; New Orleans; Indianapolis; Youngstown, O.; Palm Springs, Cal., and Memphis.

The acquisition could allow the Morris chain to network its advertising by offering more in its ad package. Richard Condon, current Naegele president, is expected to continue to run the company, one of the largest outdoor advertisers in the nation.

The biggest papers of the family enterprise headed by Robert Morris III are the two Jacksonville dailies, the every-morning *Florida Times-Union* and the evening *Jacksonville Journal,* published Monday through Friday. Combined circulation for the March 31, 1985, ABC-audited period was 204,029, off slightly from 205,707 in the year-earlier period, although the March figure in 1985 was up slightly from the final ABC-audited count for 1984 of 203,314. Jacksonville, with about 600,000 population, is northern Florida's major center of commerce, finance and industry.

Over-all, the Jacksonville dailies have increased steadily in the past eight years, rising 18.4% from 172,300 in 1977. Circulation of the Sunday *Times-Union* was up 1.2% to 218,919.

Morris picked up the Jacksonville papers in late 1982 from the transportation conglomerate, CSX Corp. for $211 million. The purchase also included two other papers, the daily *St. Augustine Record,* and the weekly *Putnam County Courier-Journal* out of Crescent City, Fla., south of Jacksonville.

The *Record* circulates about 11,400 papers in a town of 11,895. It has charted a 23% growth since 1977. The reason, according to a market analysis, is the general acceptance of the paper by the established retirement and working population of the community as the prime source of information about St. Augustine. Good color printing also is said to help among affluent retirees.

The weekly *Putnam County Courier-Journal* circulates about 2,000 paid and 5,800 free copies every Wednesday in a lakeside (Crescent Lake) town built on seafood packing, boat building, tool and die making, citrus processing and diversified farming. The company has one other small weekly, the *Hilton Head* (S.C.) *News,* with circulation of 7,100.

Near one of Morris' bigger markets, Athens, Ga., the company publishes three small-town papers: the *Hartwell* (Ga.) *Sun,* a weekly, circulating 4,800 paid copies; the *Elberton* (Ga.) *Star Beacon,* a twice weekly with 5,700 circulation, and the *Royston* (Ga.) *News,* a weekly with 1,400 copies.

Athens, a city of about 45,000 and a college town, has two dailies, both Morris papers, the morning weekday *News* and the evening *Banner-Herald,* a seven-day paper. Combined ABC audited circulation for both in the March 31, 1985, reporting period was 22,422, off 3% from the similar period in 1984. A Sunday total of 26,715 is even with 1984.

Augusta is an industrial city of about 50,000 population and a golfer's dream. Its two dailies are the Morris-published *Chronicle,* a Monday-Friday morning paper, and the *Herald,* a five-day evening publication. Combined, the papers circulated 79,414, up from 79,042 from the similar period in 1984. Sunday is up 2% to 85,221.

Savannah, Georgia's port of entry from the Atlantic, is the biggest of the three Georgia cities with Morris papers. The city, with population of 140,000, has two Morris dailies, the morning *News* and the evening *Press,* circulating 77,099 combined weekdays, down from 77,505 last year. Sunday's *News-Press* had 73,532 for the March reporting period, down 3%.

The two Texas cities with Morris dailies also are each two-newspaper towns with Morris-only products. Amarillo, an oil and agricultural center of 150,000 in the Texas Panhandle, is served by the morning *Daily News* and the evening *Globe-Times,* which circulated a combined 74,168, off 12% from 1984. The count for the Sunday *News-Globe* is now 78,547, up slightly from 1984.

Lubbock, with about 170,000 population, is the trading and wholesale center for the Texas South Plains. The *Avalanche-Journal* publishes seven mornings a week; the *Journal* is a five-day evening paper, and combined they reach 73,017, down 3% from 1984. Sunday's *Avalanche-Journal* is up slightly to 81,689.

Alaska's state capital of 20,000-plus, Juneau, has one daily newspaper, the *Empire,* published by Morris. Publisher's latest circulation statement in March, 1985, is 7,850, up 11.7% from the last publisher's sworn statement, October, 1983.

Morris also publishes *Quarter Horse News,* a twice-monthly tabloid newspaper that averages 124 pages an issue and now circulates about 8,000 copies. Along with its editorial coverage of quarter horse breeding and performing, the Fort Worth, Tex.-based paper is heavy with advertising and runs high-quality color. While it may not fit the newspaper mold of the company, the publication reflects the personal indulgence of Mr. Morris, a horse breeder.

Completing the Morris strategy of maximum coverage for its markets, the corporation operates four commercial printing plants in the immediate areas of its various newspapers. In Georgia are Hartwell Publications and Southeastern Publications; in Florida is St. John's Publications, and in Amarillo, Southwestern Publications. Each serves major retailers with process-color printing of inserts and supplements either to tip into the Morris papers in the market or to be used in Morris' total market coverage deliveries to nonnewspaper subscribers.

MEDIA PROPERTIES

Newspapers (dailies)

ALASKA: *Juneau Empire.* FLORIDA: *Florida Times-Union, Jacksonville Journal, St. Augustine Record.* GEORGIA: *Athens Banner Herald, Athens Daily News, Augusta Chronicle, Augusta Herald, Savannah Evening Press, Savannah Morning News.* TEXAS: *Amarillo Daily News, Amarillo Globe-Times, Lubbock Avalanche-Journal, Lubbock Evening Journal.*

Newspapers (nondailies)

FLORIDA: *Courier-Journal* (Crescent City). GEORGIA: *Elberton Star-Elbert Beacon, Hartwell Sun, Royston News-Leader.* SOUTH CAROLINA: *Hilton Head News. Quarter Horse News.*

OTHER OPERATIONS

Hartwell Publications, Southwestern Publications, St. Johns Publishing Co. (job printing operations).

RANK

MTV Networks 90

New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	110	50	119.9
Total sales	110	50	119.9
Net income	25	-6	526.2
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	0	0	0
Cable	110	50	119.9

MTV Networks, New York, which currently operates MTV: Music Television and VH-1/Video Hits One, two cable music networks, and one children's cable network, Nickelodeon, is the country's 90th largest media company with revenues of $109.5 million in 1984, all in media.

MTV Networks, which became a public company in 1984 when a third of its stock was placed on the market after the company was purchased from Warner Amex Satellite Entertainment Co., more than doubled its operating revenues in 1984 and showed a profit for the first time.

The two music video operations had 1984 revenues of $72.9 million and operating income of $19.9 million, although prelaunch expenses for VH-1, which premiered Jan. 1, 1985, cut into operating income. Nickelodeon had revenues of $27.5 million and operating income of $3.9 million in 1984, compared with revenues of $16.7 million and an operating loss of $3.3 million in 1983. The company made nearly $9.1 million in revenues and $1.6 million in operating profit from other media-related operations.

The company's profitability continued in the first quarter of 1985, with net operating revenues of $30 million and net income of $2.7 billion, up 45.6% and 80.4%, respectively, from the first quarter of 1983.

MTV Networks was incorporated in February last year, but had no operations until July when it acquired the MTV: Music Television and Nickelodeon businesses from the entertainment unit of Warner Amex Cable Communications, itself a joint venture of Warner Communications and American Express Co.

MTV Networks paid $67.7 million and issued 5 million common and 5 million convertible preferred shares for the Warner Amex businesses. A public offering of 5.1 million MTV Networks common shares in August, 1984, netted $70.3 million, which was used to repay bank loans incurred to finance the cash portion of the deal.

A prospectus on MTV Networks filed with the SEC on June 15, 1984, showed that MTV: Music Television and Nickelodeon had together lost about $79 million from January, 1980, to the end of the first quarter of 1984, while parents Warner Communications and American Express pumped a total of about $108.3 million into their joint venture businesses.

By accepting the $67.7 million in cash and receiving 66.1% of the capital stock of MTV Networks, Warner Amex moved from a position of jointly owning 100% of a $108.3 million investment that had not been returning a profit to a position of jointly owning two-thirds of a $40.6 million investment that is beginning to show operating profits.

Recently, it has been reported that David Horowitz, president of MTV, and Boston Ventures Ltd. Partnership, which has engineered several leveraged buyouts of media companies, have made a bid for the two-thirds of MTV still in the hands of Warner Amex. The Warner half of Warner Amex, in particular, might be interested in cashing in on this investment to raise money to finance a leveraged buyout in taking itself private or to repurchase the 30% of its stock sold to Chris-Craft Industries last year as a friendly ploy to avert a hostile takeover from Rupert Murdoch.

The bulk of MTV Networks' revenues come from the sale of advertising time on its three networks, with additional revenues coming from monthly fees from its affiliated cable operators and from trademark licensing, international programing sales, as well as operational services provided to other cable tv programing networks.

MTV: Music Television, the 24-hour rock music network launched in August, 1981, aimed at the 12-to-34-year-old age group offers a mixture of rock music videos, music news and specials. According to A.C. Nielsen Co., the rock music network reached 25.4 million cable households at the end of 1984, up 38% from the end of 1983. Before 1983, MTV: Music Television derived its revenue almost entirely from ad sales.

License fees were introduced in 1983, and by the end of 1984 the company had renegotiated agreements to include a license fee with cable affiliates representing more than 80% of MTV: Music Television's subscribers.

Nickelodeon, launched in January, 1980, is currently the only cable network aimed specifically at children. According to Nielsen, Nickelodeon reached 24.2 million cable households at the end of 1984, up 37% from the end of 1983. Its programing is time specific, with particular dayparts geared to different age groups.

In early 1985, Nickelodeon initiated a second satellite feed to serve the West Coast and intends to expand to 24 hours from the current 13. Nickelodeon derived revenue primarily from license fees based on agreements with cable affiliates and other licensees carrying the service until late 1983 when it instituted ad sales.

The MTV Networks' second 24-hour video music service, VH-1/Video Hits One, premiered in 1985 with 3.4 million subscriber homes and 28 charter advertisers. It is designed to complement MTV: Music Television and is aimed at the 24-to-54-year-old audience. VH-1 is programed with a mix of established music styles, including contemporary music, soft rock, rhythm and blues and cross-over country.

The cable tv affiliates licensed to carry both MTV: Music Television and VH-1 generally receive the license for VH-1 at no additional charge.

Of the 19 principal basic cable programing services and superstations at the end of 1984, Nielsen ranked MTV: Music Television sixth and Nickelodeon seventh in number of subscribers.

MEDIA PROPERTIES
Broadcasting
MTV: Music Television, Nickelodeon, VH-1/Video Hits One. The company also makes fees from leasing excess transponder capacity, from providing access to the company's subscriber base to programers, and from providing network operations services, including program integration, playback of programing and transmission to satellites.

RANK 36

Multimedia Inc.

Greenville, S.C.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	304	270	12.9
Total sales	304	270	12.9
Net income	34	35	-4.2
Sales per medium			
Newspaper	103	91	13.6
Magazine	0	0	0
Broadcast	135	126	7.6
Cable	66	53	24.2

With consolidated revenues for 1984 of $304.4 million, all from media, and earnings increases from all its media divisions, Multimedia Inc., turned in a strong performance for the year, making it the 36th largest U.S. media company.

The Greenville, S.C.-based company, whose revenues derive solely from media, saw an over-all revenue increase of 13% over 1983. The only weak spot was an $11 million loss on the regional cable network Sports Time, a joint venture with Anheuser-Busch and Tele-Communications Inc. After a year's trial, Sports Time ceased operations March 31, 1985.

"Cable viewers just weren't ready to see its value," says Walter E. Bartlett, Multimedia president-ceo. "There's no question in my mind that regional cable channels will make it. You just have to have awfully deep pockets and be willing to wait a long time."

Multimedia picked up its stride, though, and results from the first-quarter, ended March 31, 1985, show earnings of $7.6 million, a 9% increase over the same period in 1984. Revenues from broadcasting were up 14%; newspapers, 9%, and cable, 13%.

So attractive was the company's performance that management found itself fending off three takeover attempts after a bid to take the company private through a leveraged buyout in February failed.

The original offer by company management and members of the Peace, Jolley, Sisk and Furman families, who founded Multimedia in 1969, was for $37 a share cash and $25 principal amount of a new issue of subordinated discount debentures.

By mid-May, 1985, the company was offering $52.46 per share in cash or $125 in discount debentures (with a market value of $60) in a recapitalization plan that allowed stockholders the option of $47.19 in cash and 0.527 shares of the corporation.

The plan is for the new company to buy out shares of Multimedia and merge with Multimedia, according to Mr. Bartlett.

Earlier this year, the company turned down a billion-dollar offer of $60 per share from Wesray Inc., Morristown, N.J., the investment company headed by former Secretary of the Treasury William E. Simon. A $1.05 billion offer—$61 per share—from Lorimar Productions, Culver City, Cal., also was snubbed by Multimedia's founders and management.

An offer of more than $65 per share from Jack Kent Cooke, owner of the Washington Redskins, also was rejected. Mr. Cooke owns 9.7% of Multimedia stock. The founding families and management together hold 44% of the 16.7 million shares of company stock.

After the rejection of his offer, Mr. Cooke filed a preliminary injunction with the state court of South Carolina to halt Multimedia's recapitalization plan. The court has not ruled on the case.

Throughout the negotiations described by Mr. Bartlett as "absolutely hectic; I've never seen anything like it in my career," the company maintained it was not for sale.

"The founding families are adamant about wanting to keep the company intact," Mr. Bartlett said in an interview in mid-May.

He said the first-quarter results for all the company's media divisions "are running somewhat better than the rest of the broadcast industry."

He singled out Multimedia Entertainment, the production division of the company, as "doing exceptionally well." The division has a new president, Mike Weinblatt, formerly president-ceo of Showtime/The Movie Channel and the first president of NBC's entertainment division.

Now that Multimedia's flagship production, "Donahue," is settled into new quarters in New York after moving from Chicago in mid-1984, "We're looking for more areas of growth and expansion," Mr. Weinblatt says.

"Our newest major success," he says, "is the 'Sally Jessy Raphael Show,'" a syndicated talk show from KSDK-TV in St. Louis. Ms. Raphael is being touted as a female "Donahue" and her half-hour show was expanded from 26 to 53 markets during the first half of 1985. "By year's end, we hope to be in 75 to 80 markets," Mr. Weinblatt says.

Multimedia Entertainment is developing at least one game show, and possibly more, for syndication by the end of the summer, according to Mr. Weinblatt.

The company is "looking at additional programing during the early fringe and late-night time slots," Mr. Weinblatt says. A new vp-program development was named, Dick Miner, former executive producer of the "Donahue" show.

The company dropped "Braun & Co.," one of the oldest syndicated talk/variety shows in the country, when efforts to improve demographics for the 40-year-old show failed. The show originated from WLWT-TV, Cincinnati.

Multimedia Newspaper Co. has a new president, Donald J. Barhyte. Mr. Barhyte, the corporation's treasurer-chief financial officer, succeeded Rhea T. Eskew, who became senior executive.

The company publishes 14 daily and 29 nondaily newspapers. Two of the dailies were converted to morning publication in 1984. Ad revenues for the newspaper division increased 15.7% over 1983 and circulation sales were up 4.1%.

Multimedia Cablevision Co.'s subscribers increased 5.5% from 1983 to 268,000 in 1984, and the company spent $16.5 million to expand and modify the system. The company purchased the final 40% of Tar River Communications' outstanding common stock and acquired four cable systems in Oklahoma from American Television & Communications, a subsidiary of Time Inc., for the exchange of three of the Tar River Cablevision systems and $22.5 million in cash.

In early 1985, the company began marketing its new franchise for the 8,000-household community of Villa Park in DuPage County, Ill.

The company has agreed in principle to the settlement of four class action lawsuits filed in response to the attempt at a leveraged buyout.

MEDIA PROPERTIES
Broadcasting
TV: KSDK, St. Louis; WLWT, Cincinnati; WZTV, Nashville, Tenn.; WBIR, Knoxville, Tenn.; WMAZ, Macon, Ga.
RADIO: KMBQ (fm), Shreveport, La.; WMAZ (am, fm), Macon, Ga; WWNC (am), Asheville, N.C.; WFBC (am, fm), Greenville/Spartanburg, S.C.; WEZW (fm), Milwaukee.

Cable/video
ILLINOIS: Alsip/Worth, Batavia, Chicago Ridge, Evergreen Park, Harvey, Hometown, Lisle, Markham, Oak Forest, Oak Lawn, Phoenix, Kane County, Four Lakes, South Holland and Villa Park. KANSAS: Bel Aire, Colonial Mobile Home Park, Crestview/Shadybrook, East Borough, Herington, Kechi, Lyons, McConnell Air Force Base, McPherson, Medicine Lodge, Oaklawn, Park City, Rolling Hills, Sedgwick County, Springdale/Timberlakes, Wichita. NORTH CAROLINA: Ayden, Battleboro, Beaufort County, Bethel, Bridgeton, Clinton, Chocowinity, Craven County, Edgecombe County, Enfield, Greenville, Kinston, La Grange, Lenoir County, Martin County, Nash County, Nashville, New Bern, Parmele/Bethel, Pitt, River Bend, Robersonville, Rocky Mount, Sampson County, Scotland Neck, Sharpsburg, Tarboro, Trent Woods, Vanceboro, Walnut Creek, Washington, Wayne County, Winterville, Wingate. OKLAHOMA: Bethany, Bixby, Chickasha, Cresent, Cushing, Del City, Edmond, El Reno, Erin Springs, Guthrie, Lindsay, Midwest City, Moore, Mustang, Nichols Hill, Norman, Perry, Stillwater, Tinker Air Force Base, Valley Brook, The Village, Warr Acres, Yukon, Logan County.

Newspapers (dailies)
ALABAMA: *Advertiser, Alabama Journal,* both in Montgomery. FLORIDA: *Winter Haven News Chief.* GEORGIA: *Moultrie Observer.* NORTH CAROLINA: *Asheville Citizen.* OHIO: *Gallipolis Daily Tribune, Pomeroy Daily Sentinel.* SOUTH CAROLINA: *Greenville News, Greenville Piedmont.* TENNESSEE: *Clarksville Leaf-Chronicle.* VIRGINIA: *Staunton Daily News.* WEST VIRGINIA: *Point Pleasant Register.*

Newspapers (nondailies)
ALABAMA: *Prattville Progress.* ARKANSAS: *Baxter Bulletin.* FLORIDA: *Auburndale Star.* GEORGIA: *Weekly Moultrie Observer.* TENNESSEE: *Ashland City Times, Dickson Herald, Nashville Record, Gallatin News-Examiner, Stewart Houston Times* (Dover-Erin), *Hendersonville Star News.*

Other media
Twenty shoppers in cities in the South and Southeast. A quarterly, *Market Source,* Greenville, S.C. A monthly *Music City News,* Nashville, Tenn.

OTHER OPERATIONS
Program productions: "Donahue," "Sally Jessy Raphael," "Country Comes Alive," "Young People's Specials." Tar River Communications (40% ownership).

RANK 77

National Enquirer

Lantana, Fla.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	142	142	0
Total sales	142	142	0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	142	142	0
Magazine	0	0	0
Broadcast	0	0	0
Cable	0	0	0

National Enquirer, Lantana, Fla., is the 77th largest U.S. media company with 1984 revenues of $142 million, unchanged from 1983. The all-media company derives revenues solely from two publications, the *National Enquirer* and *Weekly World News.*

A compilation of global news, features and brights, the 5-year-old *Weekly World News* continued to grow in 1984, with circulation increasing 7% to 910,000. Publisher James Martise says a newsstand price 15¢ less than the *National Enquirer's* helped *Weekly World News* hold its own in an increasingly competitive market. No major changes are planned for 1985.

The circulation-driven *National Enquirer* revenues were affected by a drop in circulation from 4.9 million to 4.7 million that was attributed to the increase in number of competitive magazines in the news/entertainment industry.

Although 1984 was a flat year for revenues, Mr. Martise says the *National Enquirer* made significant gains in national ad linage. A shift from its traditional format of entertainment and celebrity features to articles on food, fashion, beauty, marriage and children boosted national advertising 43% in 1984 to 358 pages, a gain Mr. Martise calls nothing short of "spectacular."

An increase in the number of magazines and tv shows dealing with celebrities continued to erode the *Enquirer's* market in 1984. The competition coupled with widely publicized libel suits by actresses Carol Burnett and Shirley Jones led the *Enquirer* to reverse its editorial policy and seek a new market in 1984.

"I'm not trying to suggest that the *Enquirer* is 100% self-help articles, but now our editorial content is about 60% in the service and human interest category—articles on adoptive children and religious columns and the like," Mr. Martise says.

"In the 1970s, the *Enquirer* had the entertainment category all to itself, but that isn't the case anymore," he says. The change in emphasis targets an audience of women who are high school graduates and home makers, a group of readers Mr. Martise says is uniquely the *Enquirer's* because the so-called Seven Sisters magazines, which the *Enquirer* sells against, cater to college educated professionals.

"We have been very successful in showing national advertisers that the unique contribution the *Enquirer* makes to their marketing plan is an unduplicated reach of women," Mr. Martise says.

The company plans to hold its tv ad budget at 1984 levels and continue what it considers to be a successful two-year campaign to recruit national advertisers through promotional mailings and advertising in trade publications. In 1984, the *Enquirer* spent $16 million, down 22.7% from 1983. Advertising was split into $14.7 million for national tv, down 26%, and $1.3 million on spot tv, down 27.8%, according to Leading National Advertisers.

Enquirer market studies have shown its audience to be largely "self-medicated," a reference to the readers' familiarity and use of over-the-counter products. Editorially, this has been exploited by the publishing of regular features written in conjunction with the Arthritis Foundation, American Heart Assn. and American Cancer Society. The newspaper published two major features on diabetes and one on anorexia in 1984, all of which were well received by national advertisers of otc products, Mr. Martise says.

The *Enquirer* also works with the Rochester, N.Y.-based Council of Adoptive Parents. Features on handicapped children and those from underprivileged backgrounds have led to a number of adoptions since 1980.

Nationally known ministers Robert Sculler, Norman Vincent Peale and Billy Graham write regularly for the *Enquirer.*

MEDIA PROPERTIES
Newspapers (nondailies)
National Enquirer, Weekly World News.

RANK 55

National Geographic Society

Washington

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	213	202	5.6
Total sales	326.8	326.6	0.1
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	213	202	5.6
Broadcast	0	0	0
Cable	0	0	0

National Geographic Society, Washington, in 1984 suffered from startup costs for *National Geographic Traveler* and reduced circulation and advertising of its lead publication, the *National Geographic.*

Earnings plummeted 123.8% over-all to a loss of $2.6 million from a gain of $10.9 million in 1983 as revenues increased only 0.06% to $326.8 million.

Media revenues increased 5.6% to $213.4 million ranking the nonprofit Society 55th among the nation's media companies.

The new quarterly *Traveler,* with an annual subscription price of $12.50, quickly achieved a 1 million subscription base in 1984 after its startup in March, 1984. Ad rates were set at 600,000, with a 25% discount for frequent advertisers. Rates were increased later in the year.

Traveler, considered a supplement to *National Geographic,* carried 212 ad pages in 1984, and produced ad revenues of $3.6 million and total revenues of $13 million.

This year may prove more tumultuous for the *Traveler* because its editorial staff wants to reduce ad pages by about a third. George Moffat, the Society's ad director, predicts *Traveler* will carry only between 160 and 170 pages in 1985. Plans to increase the frequency of the magazine are on hold, and circulation is expected to remain at slightly more than 1 million. But Society officials say *Traveler* will show a profit in 1985.

The Society's mainstay, the *National Geographic,* had 282 ad pages in 1984, and ad revenues of $30 million, down slightly from 1983. Total 1984 revenues for the magazine were $168 million.

So far in 1985, the magazine's advertising has been soft, says Mr. Moffat, who expects to finish the year flat or down by a slim margin.

Circulation for the *Geographic* dipped to 10.35 million in 1984 from 10.60 million in 1983. This year the Society expects circulation of 10.50 million and a renewal rate of at least 86%. Membership costs for the magazine will remain at $15 through the year, but may be raised in 1986.

To boost ad sales, Mr. Moffat reorganized the domestic and international sales force in the first half of 1985, appointing Bill Hughes to the new post of national sales manager-East, and Phil Reynolds, formerly Chicago ad manager, to national sales manager-West.

Michele Boutin, the European sales director based in Paris, is now international sales director, a new post. Mr. Boutin will supervise the newly expanded international sales offices in London, Duesseldorf, Madrid, Sydney and Hong Kong.

The magazine began accepting beer, wine and cordials advertising in its international edition 18 months ago, but has "not been deluged by advertisers," Mr. Moffat says. U.S. editions probably will never carry alcohol or tobacco ads, he says.

U.S. regional sales are poor, Mr. Moffat says. He intends to modify the successful "Big G" sales program by eliminating buys in smaller markets to

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- Increase ad response for sales leads, credit card orders, product information, special promotions, and other programs.
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ext.2000
Kansas City, MO-
Stamford, CT

keep advertising circulation at less than 5 million. The program currently allows advertisers to buy space in 36 selected U.S. markets at slightly more than half the cost of a regular *Geographic* ad page.

Mr. Moffat hopes to bring in new types of advertisers, such as home furnishings, with a promotion campaign breaking in the fall that will be more competitive and "will not bore people with numbers," he says. Last year's campaign cited reader demographics.

Geographic this fall will publish a cover with a hologram, repeating its successful gimmick from its March, 1984, issue.

The Society in January, 1985, launched a quarterly periodical, "National Geographic Research," which does not carry advertising. The $40-a-year publication will publish articles written by Society-sponsored scientists. Circulation is estimated to be 4,500 to 5,000.

"National Geographic World," geared to children between the ages of 8 and 13, is stable with a circulation of 1.5 million. It accepts no advertising.

The Society ventured into cable tv in April, 1985, and will produce 150 hours of the "National Geographic Explorer" for the Nickelodeon cable network, part of MTV Networks. It continues to produce four specials annually for the Public Broadcasting Service.

MEDIA PROPERTIES
Magazines
National Geographic, National Geographic Research, National Geographic Traveler, National Geographic World.

News America Publishing

New York

RANK 27

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	440	304	44.8
Total sales	463	320	44.6
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	407	287	41.7
Magazine	33	32	5.0
Broadcast	0	0	0
Cable	0	0	0

News America Publishing, New York, a unit of News Group Ltd., Sydney, Australia, is the nation's 27th largest media company, though it seems destined for top 10 status in 1985. Rupert Murdoch and his family own 46% of News Group Ltd. He is chairman-ceo of the company.

News America had net revenues from media operations of $439.9 million from a $463.1 million in gross revenues in the fiscal year ended June 30, 1984. Media revenues were up nearly 36.2% over fiscal 1983, primarily reflecting the addition of revenues from the *Chicago Sun-Times*.

News America made headlines several times in 1984, first with the January acquisition of the *Sun-Times* from the Field family for $100 million. That was followed in May by the purchase of *New Woman* magazine for a price estimated in excess of $20 million from the book's founder, Margaret Harold Whitehead. In November, Mr. Murdoch paid $362.5 million for the 12 trade publications of Ziff-Davis Corp.

All the 1984 activities were overshadowed when, in March, 1985, Mr. Murdoch struck a deal with Denver oilman Marvin Davis to buy a 50% stake in 20th Century-Fox Film Corp. for $250 million. Two months later, Mr. Murdoch announced a plan to purchase the seven major market tv stations owned by Metromedia Inc. for $2 billion. One of the stations, WCVB-TV in Boston, was sold to Hearst Corp. for an estimated $450 million in a simultaneous transaction.

By press time, Mr. Murdoch was being touted as the man behind the much talked about but never realized fourth commercial tv network—a network that could spring from the lead of the Metromedia independent stations and the program backing of a major Hollywood studio.

However, it remained to be seen whether Mr. Murdoch, an Australian citizen, could obtain American citizenship (foreigners can own no more than 20% of a broadcast station company) and divest himself of potential cross-ownership conflicts in New York and Chicago, both of which likely would be required of him before he could be awarded the Metromedia broadcast licenses by the FCC.

News America's 1984 fiscal year accounts only for the acquisition of the *Sun-Times*. *New Woman* and the Ziff-Davis publications were acquired after the books were closed on fiscal 1984.

Among the properties included in 1984's returns, the *New York Post* and the *Boston Herald* were the only money losers. Analysts believe the *Post* lost in excess of $10 million in calendar 1984. News America does not report financial results for the *Post*. Moreover, the *Post*, which had shown steady if not spectacular circulation gains since Mr. Murdoch bought the paper in 1976, showed its first decrease, going from some 960,000 daily sales to 930,000 at the Sept. 30, 1984, ABC audit, then showing further losses into 1985 to 901,313 for the six months ended March 31, 1985.

At press time, it was believed that Mr. Murdoch would have one of three options for the *Post* if he were to proceed with the Metromedia deal: Sell it (thought unlikely, because it's been losing money since Mr. Murdoch bought it); fold it and sell the assets, or attempt to obtain a waiver from the FCC that would allow him to own both a newspaper and a tv station in the New York market.

Losses at the *Boston Herald* were halved during the fiscal year, the first full year of News America's ownership. In the consolidated balance sheet for News Group Ltd., News Group Boston, which runs the *Herald*, showed a loss of $3.2 million Australian, about equal to U.S. $2.7 million at the June 30, 1984, exchange rates. Circulation and advertising share of market have continued to grow, however, with daily circulation in the March 31, 1985, ABC FAS-FAX report put at 368,027, up nearly 60,000 since it became a News America property in December, 1982. Sunday circulation was 308,823 in the March 31 FAS-FAX report, a gain of more than 65,000 sales over the same period.

News America's two newspaper properties in San Antonio, Tex., the San Antonio *Express* and the *News*, were merged into a single, all day paper, the *Express-News*, in September. The Express-News Corp. contributed about $6.1 million to News Group's consolidated net profit.

The *Sun-Times* circulation increased 1.7% to 639,187 daily and 0.5% to 690,904 on Sunday. While its daily trails the *Chicago Tribune* by about 136,000 subscribers, it is far behind the *Tribune's* 1.17 million Sunday circulation.

Mr. Murdoch's magazine properties are now part of a new unit, Murdoch Magazines. It was formed when News America acquired the Ziff-Davis trade books. The three properties included in the company's fiscal report are *New York*, the *Star* and the *Village Voice*, an alternative weekly newspaper in New York. At press time it was announced that the *Voice* has been sold for more than $55 million to Leonard Stern, ceo and chief executive officer of Hartz Mountain Industries, a New Jersey-based pet supplies and real estate company.

New York enjoyed a record year, with after-tax income up 62% to $11.9 million. Similar figures were not available for the *Voice* or the *Star*.

The *Star*, having suffered a loss of about 225,000 circulation during the fiscal year, underwent a major redesign and refocus early in 1985 to broaden its appeal beyond the typical checkout stand magazine reader to more sophisticated, professional women. While the celebrity news that the *Star* is noted for remains, added attention was given food, fashion and leisure.

MEDIA PROPERTIES
Magazines
A/C Flyer, Aerospace Daily, Aviation Daily, Business & Commerical Aviation, Hotel & Travel Index, Meetings & Conventions, New Woman, New York, Official Hotel & Resort Guide, Official Meeting Facilities Guide, The Star, Travel Weekly, Weekly of Business Aviation, World Aviation Digest, and *World Travel Digest.*
Newspapers (dailies)
ILLINOIS: *Chicago Sun-Times.* MASSACHUSETTS: *Boston Herald.* NEW YORK: *New York Post.* TEXAS: *San Antonio Express-News.*

Media companies by estimated newspaper revenues ($000)

with lead newspaper's circulation

Company	Newspaper revenues		1984 media revenues	Newsp. revs. % of '84 media revs.	Top newspaper by circulation	1984 daily circ. of lead newsp.*	'84-'83 % chng
	1984	1983					
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Advance Publications	1,250,000	1,194,200	1,900,000	65.8	Cleveland *Plain Dealer*	412,732	(11.1)
New York Times Co.	958,473	833,200	1,229,600	77.9	*New York Times*	1,013,211	4.4
Dow Jones & Co.	886,000	738,100	926,000	95.7	*Wall Street Journal*	1,990,025	(4.4)
Scripps Howard	700,000	650,000	829,000	84.4	*Rocky Mountain News*	329,381	3.2
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Central Newspapers	379,000	345,100	380,000	99.7	*Arizona Republic*	325,677	3.6
Capital Cities Communications	328,700	289,600	939,700	35.0	*Kansas City Times*	280,196	(2.9)
Affiliated Publications	327,500	278,500	343,800	95.3	*Boston Globe*	510,567	0.1
Thomson Newspapers	320,600	281,600	320,600	100.0	Canton, O., *Repository*	60,571	(2.0)
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Media General	241,400	208,800	305,000	79.1	*Tampa Tribune*	225,748	4.1
Cowles Media Co.	232,000	209,500	232,000	100.0	*Minneapolis Star & Tribune*	383,657	3.1
Oklahoma Publishing Co.	228,500	207,800	389,200	58.7	*Daily Oklahoman*	252,364	7.0
Morris Communications Corp.	218,000	196,400	218,000	100.0	*Florida Times-Union*	162,011	(0.5)
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
A.H. Belo Corp.	195,200	163,400	353,600	55.2	*Dallas Morning News*	368,683	10.2
Landmark Communications	191,600	162,600	225,000	85.2	Norfolk *Virginian-Pilot*	141,370	1.2
Chronicle Publishing Co.	171,000	N/A	231,000	74.0	*San Francisco Chronicle*	544,979	1.0
Pulitzer Publishing Co.	170,000	145,200	256,000	66.4	*St. Louis Post-Dispatch*	273,784	7.6
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
National Enquirer	142,000	142,000	142,000	100.0	*National Enquirer*	4,713,146	4.8
A.S. Abell Co.	139,000	120,000	195,000	71.3	*Baltimore Sun*	349,901	0.2
Howard Publications	139,000	129,000	166,000	83.7	*Hammond* (Ind.) *Times*	68,466	(1.0)
Lee Enterprises	134,200	120,600	182,700	73.5	*Wisconsin State Journal*	77,346	1.1
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Multimedia Inc.	103,000	90,700	304,400	33.8	*Greenville* (S.C.) *News*	87,914	2.2
Courier-Journal & Louisville Times	98,000	92,000	116,000	84.5	*Louisville Courier-Journal*	175,266	(1.1)
Times Journal Co.	95,800	84,000	95,800	100.0	Service *(Times)* publications	N/A	N/A
Macromedia Inc.	86,200	75,700	108,500	79.4	Bergen County, N.J., *Record*	156,954	2.3
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]

*Source: Audit Bureau of Circulations: Fas-Fax averages for six months ended March 31, 1985

Members of the board

Educators are prime bait for the nation's media company boards. Time Inc. has several: Alexander Heard, chancellor emeritus, Vanderbilt University; Matina S. Horner, president, Radcliffe College, and Clifton R. Wharton Jr., chancellor, State University of New York System.

ABC has Frank S. Jones, Ford Professor of Urban Affairs at Massachusetts Institute of Technology. Dun & Bradstreet has John R. Meyer, Harvard University professor. Meredith Corp. has Barbara S. Uehling, chancellor of the University of Missouri-Columbia; New York Times Co.—William F. May, dean of faculty of business administration, New York University; Westinghouse Corp.—David T. McLaughlin, president, Dartmouth College, and Barbara H. Franklin, senior fellow of public management, Wharton School of the University of Pennsylvania; Chris-Craft Industries—David F. Linowes, professor, University of Illinois.

Newspapers (non-dailies)
NEW YORK: *Village Voice*. TEXAS: Houston Community Newspapers (all in Houston)—*Community News, Humble Echo, Sentinel, Suburban Reporter, Sun, Sun Woodland*. NATIONAL: *Star*.

New York Times Co.

RANK 12

New York

($ figures − 000,000)

Corporate returns	1984	1983	% chg
Media sales	1,230	1,091	12.7
Total sales	1,230	1,091	12.7
Net income	100	79	27.3
Sales per medium			
Newspaper	958	833	15.0
Magazine	211	186	13.2
Broadcast	38	35	8.3
Cable	22	18	20.8

The New York Times Co., the nation's 12th largest media company, reported another record year in 1984, with revenues of $1.23 billion, up 12.7% from 1983. All revenues were from media.

Record earnings of $100.2 million were up 27.3% primarily on the strength of the company's newspaper group, which increased revenues by 15% over 1983, and the tripling of income from equity interest the company holds in four forest products companies.

This pace continued into the first quarter of 1985, with first-quarter earnings up 20% from the 1984 quarter, excluding the one-time, after-tax gain of $2.8 million from the sale of property in New York. The four forest products companies also continued to make significant contributions.

Gains in the newspaper group in the first quarter came primarily from increased ad rates and higher circulation. Although the magazine group also posted gains in circulation and ad revenue, the group suffered an 11% decline in operating profit. This primarily reflects costs associated with the sale of Times Books to Random House in November, which ended New York Times Co.'s involvement in the book, educational and library services businesses.

In 1984, the company's flagship paper, the *New York Times*, enhanced operations in several ways, including expanding existing features. The *Sunday New York Times Magazine*, for example, added two Part 2s to its lineup, bringing the total to 12 a year on thematic topics such as the "World of New York," "Sophisticated Traveler," men's and women's fashion, and sports. Ad volume for the Sunday magazine rose 12% over 1983's level, to 4,683 pages.

The *Times* also expanded the Business Day section last fall, which included the addition of editorial staff. The *Times* was honored again this year with two Pulitzer Prizes; it also was ranked as the best designed newspaper by the Society of Newspaper Design in a nationwide survey commissioned by ADVERTISING AGE.

Over-all, the *Times* gained about 4% in ad volume. Average daily circulation exceeded the 1 million mark for the first time in 1985. According to ABC audit figures for the sixth month period ended March 31, 1985, daily circulation hit 1,013,211, up 4.4% from the corresponding period a year earlier. The *Sunday Times* was 1,623,562, up 1.9%.

In February/March, 1984, the *Times* gained classification as a national newspaper, and bore a new promotional campaign, "Much more of the world, much faster." The campaign was the first work created by newly hired agency Bozell & Jacobs. The campaign started testing during February, 1984, in Cleveland and San Francisco and later was expanded to other primary *Time* markets. As of December, the national edition circulation stood at 125,000 daily and 215,000 Sunday. This spring, the national edition launched a sixth printing site, in Lorain, O.

In June, 1985, the New York Times Co. acquired three dailies. The dailies, circulation and year-to-year circulation growth: The *Spartanburg* (S.C.) *Herald-Journal* (47,476, up 1.3%), and in Alabama, the *Tuscaloosa News* (31,397, up 1.6%) and *Gadsen Times* (29,560, up 3.9) from the Public Welfare Foundation. Circulations are ABC six-month averages ending March 31, 1985; the percentage increases are based on growth from March 31, 1984.

This year, the company announced its plans to purchase the daily *Santa Rosa* (Cal.) *Press-Democrat* (72,698, up 2%) and the *Healdsburg* (Cal.) *Tribune* (5,325), a semi-weekly, and WQAD-TV, an ABC affiliate serving the Quad Cities area of Illinois and Iowa.

The company in 1984 sold two weekly Florida-based newspapers to Asterisk Publishing, Fort Lauderdale—*Zephyrhills News* in February and the *Anna Maria Islander* in November. This left 20 daily newspapers and eight weeklies on the *Times* roster of regional newspapers at the close of 1984.

Among the regional papers, the dailies achieved a 4% circulation gain, while the weeklies rose 6%. Ad volume also increased over-all.

In July, 1984, the magazine group acquired *Cruising World*, a sailing magazine with an average circulation of about 115,000. All the magazines reported slight gains in ad pages carried in 1984 over 1983. *Tennis* boasted a 12% rise in ad pages in 1984, although its circulation remained at 1983's level of about 500,000. The other magazines posted slight gains in circulation except *Family Circle*, which slipped 4%. Last year, the company acquired two buildings for the magazine group—one in Trumbull, Conn., and the other in lower Manhattan.

The broadcast group operates three tv stations, an am and an fm classical music station and a cable tv system. Operating profit climbed 76% over last year, mainly as the result of higher ad revenues at the tv and radio stations and a greater number of subscribers to NYT Cable.

In October, NYT Cable TV acquired a 56th franchise, adding 1,500 subscribers. Over-all, the number of basic subscribers rose 10% to 121,000 in 1984; pay subscriptions increased 8% to 124,000.

WQXR-FM, the classical music station, cut its ad load by 15% early last year, partly in response to a listener survey. The move should not hurt revenue and profit projections for the station, which is at its most successful point in its 47-year history, according to a company spokesman.

The acquisitions made this year are expected to erode earnings somewhat in 1985. However, Arthur Ochs Sulzberger, chairman-ceo, still projects that 1985 will be another strong year for the company.

MEDIA PROPERTIES

Broadcasting
TV: WHNT, Huntsville, Ala.; KFSM, Fort Smith, Ark.; WREG, Memphis, Tenn.
RADIO: WQXR (am, fm), New York.

Cable/video
NYT Cable TV, Cherry Hill, N.J.

Magazines
Cruising World, Family Circle, Golf Digest, Golf World (U.K.), *Tennis*.

Newspapers (dailies)
ALABAMA: *Times Tri-Cities Daily, Tuscaloosa News*, (pending acquisition) Gadsen Times (pending acquisition). CALIFORNIA: *Santa Rosa Press-Democrat* (pending acquisition). FLORIDA: *Gainesville Sun, Lake City Reporter, Lakeland Ledger, Leesburg Commercial, Palatka Daily News, Sarasota Herald-Tribune*. KENTUCKY: *Daily News, Harlan Daily Enterprise, Madisonville Messenger*. LOUISIANA: *Houma Daily Courier, Opelousas Daily World, Thibodaux Daily Comet*. MISSISSIPPI: *Corinth Daily Corinthian*. NEW YORK: *New York Times*. NORTH CAROLINA: *Hendersonville Times-News, Lenoir News-Topics, Lexington Dispatch, Wilmington Star-News*. SOUTH CAROLINA: *Spartanburg Herald*. TENNESSEE: *State Gazette*.

Newspapers (nondailies)
CALIFORNIA: *Healdsburg Tribune*, a semi-weekly (pending acquisition). FLORIDA: *Avon Park Sun, Fernandina Beach News-Leader, Golden Gate Eagle, Marco Island Eagle, Sebring News*. MAINE: *Kennebunk York County Coast Star*. MISSISSIPPI: *Booneville Banner-Independent*. TENNESSEE: *Claiborne Progress*.

Other media operations
News service, features service syndicate, equity interests in Madison Paper Industries, three Canadian newsprint companies and the *International Herald Tribune*.

Oklahoma Publishing Co.

RANK 29

Oklahoma City, Okla.

($ figures − 000,000)

Corporate returns	1984	1983	% chg
Media sales	389	335	16.1
Total sales	N/A	N/A	N/A
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	229	208	10.0
Magazine	1.9	1.7	11.8
Broadcast	141	126	12.0
Cable	18	0	N/A

Oklahoma Publishing Co., Oklahoma City, is the 29th ranked media company in the U.S., according to media revenues estimated by ADVERTISING AGE at $389.2 million in 1984, a 16.1% increase over 1983's estimated media revenues.

The private company, tightly held by Oklahoma City's Gaylord family and known as Opubco, derives its revenues from an ever-expanding empire of media, entertainment, sports and production facilities.

Although Opubco's revenues and earnings remain closely guarded, Edward L. Gaylord, president, was quoted earlier this year as saying the company's 1984 profits were expected to be in excess of $68 million.

During 1984, the company expanded its involvement in sports and country music, began improvements to its Opryland properties acquired in 1983 for about $500 million and introduced major improvements in some of its key media properties.

Following Opubco's merger of the evening *Oklahoma City Times* into the *Daily Oklahoman* on March 1, 1984, for an initial combined morning circulation of 264,000 (of which about 35,000 was duplication), the *Daily Oklahoman* opened a major $50 million-plus satellite production facility with new presses and other state-of-the-art technological improvements, including a $2.2 million electronic pagination system.

According to Howard Nicks, vp-general manager, the newspaper's weekly circulation in the first week of March, 1985, had grown to 262,385. Saturday circulation was up 21,197, to 240,990, and Sunday circulation was up 15,138, to 335,027. These compare with six-month Audit Bureau of Circulations statements of 252,364 daily, 235,734 Saturday and 317,750 Sunday.

Opubco's venture with Battelle Development Corp., Columbus, O., the DataTimes computerized library system, became a wholly owned subsidiary of Opubco under the Datatek name. It services newspapers and other subscribers.

By 1985, the DataTimes database was offering access to full-text libraries of the Associated Press, *Dallas Morning News, Houston Chronicle, Daily Texan* (University of Texas at Austin), the *Oklahoman & Times*, the *Journal Record* (Oklahoma City business publication), and to newspapers in Arkansas, Louisiana and Washington.

The service also provides a directory of Oklahoma companies, an Oklahoma legislative tracking database, an Oklahoma City traffic watch service, and other on-line electronic communication services including electronic mail.

Opubco's *Colorado Springs Sun*, after moving to tabloid format in 1983, reported continued circulation gains to 45,549 daily and 46,636 Sunday as of March 1985, up from 40,595 daily and 43,465 Sunday the year earlier. ABC averages for the six-month period ended March 31 show 41,960 daily, 41,572 Saturday and 44,750 Sunday. The dominant paper in the market is the combined morning-evening *Gazette-Telegraph*.

Gaylord Broadcasting, based in Dallas, named University of Oklahoma president William S. Banowsky to the post of president, succeeding Mr. Gaylord, who remained chairman and chief executive officer.

When the Federal Communications Commission changed its ownership rules in 1984, Gaylord Broadcasting jumped on the acquisition bandwagon and bid $500 million for McGraw-Hill's network affiliated tv stations in Denver, Indianapolis, San Diego and Bakersfield, Cal. But McGraw-Hill declined to accept the offer.

Gaylord Broadcasting expanded its sports involvement in 1984 with acquisition of one-third ownership of the Arlington, Tex.-based Texas Rangers, which finished 14½ games behind the champion Kansas City Royals in baseball's American League West. The about $20 million purchase included over-the-air tv rights and the right of first refusal on purchase of the remainder of Texas Rangers stock, owned by oil executive Eddie Chiles.

The acquisition initially failed to pass the required majority vote of the American League owners, but was approved by the overriding vote of baseball commissioner Peter Ueberroth. Sources reported that the purchase was approved after Gaylord Broadcasting agreed it would not strike for superstation status with the telecast of games outside the Rangers' immediate six-state area and into home areas of other Major League teams.

The Texas Ranger games are broadcast over Gaylord's KTVT, Dallas-Fort Worth. The company also carries games of the Cleveland Indians and Cavaliers over WUAB, Cleveland; the Seattle Mariners over KSTW, Seattle-Tacoma, Wash.; the Houston Oilers 1985 pre-season games over KHTV in Houston, and the Milwaukee Brewers and Bucks over WVTV, Milwaukee.

Opubco's Opryland USA acquired the Nashville-based Acuff-Rose group of music publishing companies jointly owned by country music entertainer Roy Acuff (member of the Grand Ole Opry since 1937) and music publisher Wesley Rose. On March 26, 1984, the Federal Communications Commission approved Gaylord Broadcasting's acquisition of WSM (am, fm), which was the only remaining portion of the Opryland USA acquisition that had been pending.

The Nashville Network, acquired in the purchase of Opryland USA (completed Sept. 1, 1983), continued its record growth at the rate of about 500,000 households a month, to finish 1984 with about 22 million households. The network had estimated ad sales of $18 million in 1984, according to Cabletelevision Advertising Bureau. A new revenue stream is expected to flow from the operation in 1986 when it is scheduled to begin charging affiliates per subscriber. Those fees generally run between 10¢ and 20¢ per subscriber per year.

During 1984, the network expanded into Canada and said it is considering expansion into Japan. Nashville Network also began the first regular live tv broadcast of the Grand Ole Opry, which continued its radio broadcasts via clear channel WSM radio.

Opryland's Music Country Radio Network, a joint venture with the Associated Press, continued to reach millions of overnight radio listeners via satellite over 100 affiliate stations with what MCRN boasts as the only satellite package offering an overnight country music variety format.

MEDIA PROPERTIES

Broadcasting
TV: Gaylord Broadcasting Co.: KHTV, Houston; KSTW, Tacoma, Wash.; KTVT, Dallas-Fort Worth; WTVT, Tampa, Fla.; WUAB, Lorain (Clevelend) O.; WVTV, Milwaukee; WVUE, New Orleans.
RADIO: WKY (am), Oklahoma City; WSM (am, fm), Nashville.

Cable/video
The Nashville Network with 22 million subscribers.

Newspapers
COLORADO: *Colorado Springs Sun*. OKLAHOMA: *Oklahoman & Times* and *Sunday Oklahoman*.

Magazine
Oklahoma/Texas Farmer-Stockman.

OTHER OPERATIONS
Datatek, Gaylord Productions, Gaylord Syndicom, the Grand Ole Opry and the Acuff-Rose music publishing company, Music Country Radio Network, Opryland Hotel, Opryland theme park, Opryland Productions.

Outlet Communications

RANK 94

Providence, R.I.

($ figures − 000,000)

Corporate returns	1984	1983	% chg
Media sales	105	95	10.0
Total sales	105	95	10.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	105	95	10.0
Cable	0	0	0

Privately held Outlet Communications, owner of four fm radio stations, one am station and seven tv stations, is the 94th largest U.S. media company in 1984.

ADVERTISING AGE estimates the company's revenues climbed to $104.5 million, a 10% increase over 1983's estimate. All revenues were from Outlet's tv and radio properties.

On Feb. 1, 1984, the acquisition of Outlet Communications by the Rockefeller Group for $300 million was finalized, representing the first media property purchased by the Rockefeller Group. The group owns Rockefeller Center Management Corp., Rockefeller Center Development Corp., Rockefeller Center Telecommunications Corp., Radio City Music Hall Productions and Cushman & Wakefield.

In January, 1984, Outlet Communications was forced to sell radio station WSNE-FM in Taunton, Mass., because its acquisition by the Rockefeller Group invalidated its grandfather status in the eyes of the FCC with the co-owned and co-located WJAR-TV station in Providence, R.I. Buyers Donald Wilks and Michael Schwartz, Springfield, Mass., paid $3.6 million for the fm station.

Outlet Communications was frustrated in 1984 in its attempt to purchase two Texas tv stations—KTXA, Fort Worth, and KTXH, Houston. Outlet was outbid by Gulf Broadcasting, which paid $160 million for the two stations and later sold them to Taft Broadcasting with the rest of its media properties.

After being rebuffed in the Texas sales, in January, 1985, Outlet purchased independent WATL-TV, Atlanta, from Sillerman-Morrow for $28 million. The next month, Outlet bought independent WPDS-TV, Indianapolis, for $22 million from Anapcomp Inc., a publicly held computer company.

After acquiring the two uhf tv stations this year, Outlet Communications will not be making any new acquisitions in the near future, says Fred Griffiths, vp-corporate affairs. Talking about the company's future direction, he says the interest of the industry as a whole is shifting to satellites and cellular radio.

MEDIA PROPERTIES

Broadcasting
TV: KOVR, Stockton-Sacramento, Cal.; KSAT, San Antonio, Tex.; WATL, Atlanta; WCMH, Columbus, O.; WCPX, Orlando, Fla.; WJAR, Providence, R.I.; WPDS, Indianapolis.
RADIO: KIQQ (fm), Los Angeles; WIQQ (fm), Philadelphia; WQRS (fm), Detroit; WTKS (fm), Bethesda, Md.; WTOP (am), Washington.

Members of the board

Not long after Gerald R. Ford served his country as President, American Express Co. nabbed him to serve on its board along with Anne L. Armstrong, chairman, President's Foreign Intelligence Advisory Board; Henry A. Kissinger, former Secretary of State; Charles W. Duncan Jr., former Secretary of Energy, and Rawleigh Warner Jr., chairman-ceo of Mobil Corp.

RANK

Park Communications 96

Ithaca, N.Y.

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	98	86	13.6
Total sales	98	86	13.6
Net income	14	11	25.7
Sales per medium			
Newspaper	51	44	15.9
Magazine	0	0	0
Broadcast	47	42	11.1
Cable	0	0	0

Park Communications, Ithaca, N.Y., is the country's 96th largest media company with estimated net revenues of $98 million, all from broadcasting and newspaper operations, up 13.6% from 1983.

By the end of the year, Roy H. Park Sr., whom *Forbes* magazine calls part entrepreneur, part showman and one of the country's 400 wealthiest people, plans to get "back out on the acquisition trail."

The 74-year-old communications magnate says he and the board of directors of Park Communications have begun searching for the person they hope eventually will replace him at the company's helm.

The heir-apparent will become chief operating officer and allow Mr. Park to do what he likes to do best—acquiring new outlets. Mr Park will continue as chairman-ceo.

"Most of the acquisitions, I make myself," he says. "I think the best way to do that is to see the guy who makes the decisions." And Park Communications—a new name since Park Broadcasting began offering stock to the public in October, 1983—has been very acquisition-minded.

Park, which in 1977 had reached the FCC's old maximum allowance of 21 broadcast outlets (7 tv, 7 am and 7 fm stations), a law that has been liberalized to 12-12-12, has bought at least one newspaper a year—"mainly, one a quarter," Mr. Park says.

The company's stock began trading at about $19 and now sells for more than $35 a share over-the-counter. Although it is considered a public company, Mr. Park and his wife, Dorothy, own 8.22 million shares, or 89.3% of the outstanding shares.

"No one can come in and take over," Mr. Park says.

The company has 75 daily, weekly and controlled circulation newspapers and still owns seven am and seven fm radio stations and seven tv stations. It employs 1,700 fulltime workers, 400 in tv, 1,100 in newspapers and 200 in radio.

Newspaper properties are in small markets where they are the dominant publications, concentrating mainly on local news, a Park trademark. Last year, Park's *Statesville Landmark & Record* in North Carolina broke a company record of pictures per publication when it ran separate pictures of 183 locals in a single edition.

Now that the FCC has raised the maximum number of broadcast outlets a company can own, Mr. Park has been exploring additions in that area, as he has in other communications fields.

"Broadcast properties recently have been very high priced," Mr. Park says. "People have been offering more for them than we think they're worth."

One area of broadcasting where Mr. Park and other broadcasters are making a strong push is low-power tv. Of the company's 39 applications, the FCC has awarded lptv licenses by lottery in seven of the application areas, all to competitors. However, Park is exploring the possibility of purchasing construction permits from successful bidders in several areas.

Wright Thomas, senior vp-finance, says he expects the cost for such purchases to be "relatively inexpensive, somewhere in the low five figures."

Mr. Park is not without the means to make acquisitions. The company pays no dividends to its 425 shareholders and does not plan to in the near future. As a result, it has $16.7 million in working capital available, along with lines of credit totaling $90 million from two banks.

And its cash flow from its operations is strong. Its net income rose nearly 27% in 1984 to $14 million, and gross revenues climbed more than 13% to nearly $106.4 million.

In the first quarter of this year, ended March 31, the company reported net income rose 16%. Mr. Park says the company's 1985 growth will do as well as that of 1984, "even though business in general is not as robust this year."

Park Communications spent much of its money and effort in improving its holdings in 1984.

It began Sunday newspapers in Morgantown and Statesville, N.C. "Sunday papers are worth two to 2½ times the value of ad linage in an average weekday," Mr. Park says.

Park doubled the power of WBGM, its CBS affiliate in Birmingham, Ala., to more than 2 million watts; it overcame objections from local pilots and received FCC approval to triple the height of its tower and boost power to 100,000 watts for KJJO (fm) in Minneapolis.

It also constructed a new building for its Yankton, S.D., WNAX (am) station. The station, which depends on farm, weather and market reports for the bulk of its programing, reaches 233 counties in seven states.

Early in 1984, Park bought the Medina, N.Y., *Journal-Register*, a 5,000-circulation newspaper; its companion weekly, the *Albion* (N.Y.) *Advertiser*, and two controlled-circulation shoppers early in the year. Park also bought the Jeffersonville, Ind., *Evening News* and its companion weekly, the *Clark County Journal*, in December.

Mr. Park also operates Park Outdoor Advertising, which is run by his son, Roy H. Park Jr. The company is owned by RHP Inc., a separate company owned by the senior Mr. Park and his wife. RHP also owns an ad agency and a real estate operation, with which Park Communications does business.

MEDIA PROPERTIES

Broadcasting

TV: WBMG, Birmingham, Ala.; WUTR, Utica, N.Y.; WNCT, Greenville, N.C.; WSLS, Roanoke, and WTVR, Richmond, Va.

RADIO: KRSI (am) and KJJO (fm), Eden Prairie, Minn.; WHEN (am) and WRRB (fm), Syracuse, N.Y.; WNCT (am, fm), Greenville, N.C.; KWJJ (am) and KJIB (fm), Portland, Ore.; WNAX (am), Yankton, S.D.; WDEF (am, fm), Chattanooga, Tenn.; WTVR (am, fm), Richmond, Va.; KEZX (fm), Seattle.

Newspapers (dailies)

ARKANSAS: *Courier News* (Blytheville), *W. Helena World.* FLORIDA: *Daily Sun Journal*, (Brooksville). GEORGIA: *Daily Sun* and *Sunday Sun* (Warner Robins). ILLINOIS: *Macomb Daily Journal* and *Sunday Journal.* INDIANA: *Jefferson Evening News, Pilot News* (Plymouth). MICHIGAN: *Coldwater Daily Reporter.* NEBRASKA: *News Press* (Nebraska City). NEW YORK: *Union Sun & Journal* (Lockport), *Evening Sun* (Norwich), *Journal & Advance News* (Ogdensburg), *Journal Register* (Medina). NORTH CAROLINA: *Concord Tribune, Daily Independent* (Kannapolis), *News Herald* (Morganton), *Observer-News-Enterprise* (Newton), *Robesonian* (Lumberton), *Sampson Independent* (Clinton), *Record & Landmark* (Statesville). NORTH DAKOTA: *Devils Lake Daily Journal.* OKLAHOMA: *Daily Ledger* (Broken Arrow), *News-Capital & Democrat* (McAlester), *Sapulpa Daily Herald.* VIRGINIA: *Journal Messenger* (Manassas), *News-Virginian* (Waynesboro).

Newspapers (nondailies)

ARKANSAS: *Osceola Times, Missco Shoppers Guide/Twin City Tribune*, West Helena. FLORIDA: *Free Press* (Brooksville), GEORGIA: *Houston Home Journal* (Perry), *Houston County News/Shoppers Extra* (Perry). ILLINOIS: *Business News* (Macomb). INDIANA: *Bremen Enquirer/Clark County Journal* (Jeffersonville). *Nappanee Advance News/Farm & Home News.* MICHIGAN: *The Resorter* (Coldwater). NEBRASKA: *Tri-State Weekly* (Nebraska City). NEW YORK: *Albion Advertiser, St. Lawrence Plaindealer* (Canton), *Courier-Freeman* (Potsdam), *Massena Observer.* NORTH CAROLINA: *Bladen Journal* (Elizabethtown), Burke County Observer, Cabarrus Observer (Kannapolis, Concord), *County News Enterprise-Maiden Times* (Newton), *Iredell County Observer, McDowell Express, McDowell News,* (Marion), *Mecklenberg Gazette* (Davidson), *Moore County News, News Outlook* (Aberdeen), *Robbins Record* (Mecklenberg), *Robesonian Weekly* (Lumberton), *Sandhill Citizen* (Aberdeen), *Sampson County Shoppers Guide, Valdese News.* OKLAHOMA: Bixby Bulletin, Hartshorne Sun, Jenks Journal.

Outdoor

Park Outdoor Advertising, serving Binghamton, Ithaca, Jamestown and Utica, N.Y., and Scranton, Pa.

RANK

Penthouse International 86

New York

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	115	110	5.0
Total sales	115	N/A	N/A
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	115	110	5.0
Broadcast	0	0	0
Cable	0	0	0

For Penthouse International, New York, 1984 was a year to try new strategies to prop up the company flagship's sagging circulation rates and to address the dilemma of hemorrhaging ad revenues in the beleaguered "men's sophisticate" magazine field.

Penthouse International had estimated revenues of $115 million, up 5% from restated revenues in 1983, ranking it 86th among the nation's leading media companies.

If there was a lesson to be learned from the company's experience last year, it was that nothing brings good health to a men's magazine like a photo spread of the reigning Miss America in the buff. The September issue of *Penthouse*, with a series of erotic photos of Vanessa Williams and another woman, came out almost a month early—in July, during the summer news doldrums. It was preceded by a debate as to whether the first black Miss America should be the first in the pageant's 63 years to be asked to step down because of the controversy.

When the magazine hit the stands, 5 million copies were snapped up in four days.

"No other magazine ever sold as many copies [in that period of time]," says exec vp-ceo David Myerson. "There's nothing comparable in the history of magazine publishing." The issue, which has become a collector's item, eventually sold 5.85 million copies, after the company put out a second press run.

It couldn't have come at a better time for *Penthouse.* The magazine had, as of June 30, 1984, lost more than 250,000 in circulation in a year, extending a two-year downward trend, and ad revenues had fallen 7.2% at the end of 1983 from the previous year. Even with the record-breaker in September and a followup nude appearance by Ms. Williams in November, the yearend circulation level of 3.77 million still didn't equal that of 1982.

Ad revenues for the company's flagship also were down, by 14.5%. Part of the drop can be attributed to a new policy, starting in the January, 1985, issue, of raising the editorial-to-ad ratios from 2-to-1 to an uncluttered 5-to-1. But the magazine, like other men's sophisticates, has been losing to other general interest magazines for several years.

Five out of the company's six magazines last year were in that category, and Penthouse has added another this year: *New Look*, an American version of a French pictorial magazine. *Spin*, a music magazine, also joins the family this year.

Penthouse's other men's magazines —*Forum, Variations, Penthouse Letters* and *Girls of Penthouse*—all either maintained their previous year's circulation levels or showed slight losses.

Omni, on the other hand, continued to increase in circulation and ad revenues. Circulation was up 4.3% to 837,282, as ad revenues increased 10.4%.

Company executives are inclined to attribute the circulation problems to the forces of prudery. For example, pressure groups in the Pacific Northwest have prompted supermarkets and drugstores to stop selling *Penthouse* and other men's magazines. The Tupelo, Miss.-based National Federation of Decency organized demonstrations in front of about 400 of Southland Corp.'s 7-Eleven convenience stores last August to protest sales of men's magazines. Canada banned *Penthouse* last November, after protests about the December issue, with a feature on women in bondage.

"If you get the magazine out there, it sells," Mr. Myerson says. "The consumer demand is still there. The problem has been that the pressures brought on the retailing establishment, by groups opposed to us, have been holding down growth."

Despite its troubles in recent years, *Penthouse's* media gross revenues increased 3% last year, to $158 million, Mr. Myerson says. Other gross revenues dipped, to $10 million from $12 million in 1983, he adds. The company, owned by the controversial and colorful Bob Guccione, has a diverse collection of successful properties, from a burgeoning list of video releases (for example, "Girls of Penthouse"), Omni books, ("The Whole Earth Software Catalogue"), movies ("Caligula" and, now in preproduction, "Moll Flanders") and international licensing agreements (Penthouse Clothes in Japan).

Penthouse has abandoned its money-losing televised "$1 Million Pet of the Year Pageant," and it is looking for a buyer for its ill-fated Atlantic City casino property, which stands, a partly built rusting hulk, on the boardwalk.

MEDIA PROPERTIES

Magazines

Forum, "Girls of Penthouse," *Omni, Penthouse, Penthouse Letters, Variations.*

OTHER OPERATIONS

Apex Properties, Boardwalk Properties, International Nuclear Systems Organization. Penthouse Films, Penthouse International Books, Omni Books, Evelyn Rainbird Ltd. (mail order), Penthouse Video.

RANK

Petersen Publishing Co. 76

Los Angeles

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	142	131	8.6
Total sales	150	141	7.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	142	131	8.6
Broadcast	0	0	0
Cable	0	0	0

Petersen Publishing Co., Los Angeles, the 76th largest media company based on its $142.3 million in media revenues in 1984 from its 14 special-interest monthlies and three every-other-monthlies and one-shot magazines, is marching to a faster cadence this year. Media revenues are up 8.6% from 1983.

For the first five months of 1985, total ad revenues from its magazine properties are up 18.2% compared with the similar period in 1984. Included in the growth is a 6.9% ad rate increase (compared with a 6.2% increase in 1984), a 6% increase in ad pages and improvements in newsstand sales.

The growth in 1985 represents an unexpected turnaround in the company's low growth forecast. Carol Johnson, director of advertising administration, says the original projections were made in 1984 when Petersen publications ran 10,260 ad pages compared with 9,536 in 1983, a 7.6% increase.

The improved outlook has generated estimates of a 14.5% increase in ad revenues to $90 million and a total revenue projection of $167.2 million by the end of 1985. Total revenue projections compare with $150.3 million in 1984, the difference between media contributions and the total being returns from art galleries, real estate and restaurant properties.

Circulation changes also are part of the reason for the improved outlook. Newsstand revenues in 1985 have been on the rebound, a fact Petersen traces to its new relationship with Curtis Circulation Corp., West Caldwell, N.J.

This year Petersen plans on reversing a slow but consistent decline in newsstand single copy sales by launching a nontraditional marketing strategy, says Nigel Heaton, vp-circulation.

"Previously we focused our attention on the over-all market. Now we plan to focus on the regional markets on a title-by-title basis," he says. "By working directly with the regional wholesaler, we plan to solve the newsstand display problem that is eroding sales. This new blood [Curtis] is giving us all high energy levels," Mr. Heaton says.

Another Petersen publication, *'Teen*, is typical of the problem the publisher has faced as newsstand single copy sales suffered throughout the industry in 1984.

The proliferation of titles created a display problem at newsstands, and the whole industry has faced major difficulties in merchandising titles at point of sale.

As a case in point, *'Teen* newsstand sales fell 10% in 1984 and consequently its ad pages dropped 4.7%. Nevertheless, thanks to a strong subscriber base, combined sales of newsstand and subscription dropped only 2.5%, from 12.37 million in 1983 to 12.06 million in 1984.

Vying for children's dollars at the newsstand, *'Teen* suffered as youngsters opted to spend their money on fan magazines and videos.

But the tide is turning in 1985 and *'Teen* has started a comeback. Mr. Heaton anticipates circulation to climb back to 12.28 million, almost reaching 1983 levels.

Petersen president Frederick Waingrow says last year the company felt a tightening of newsstand and subscription circulation patterns, but both these areas have loosened up in 1985.

In the company's stable of automotive magazines, leaders in increased ad pages are *Petersen's 4-Wheel and Off-Road* and *Motor Trend.* Besides being one of the growth leaders among the magazines, *Petersen's 4-Wheel and Off-Road* is the ad page leader, running 888.5 ad pages in 1984, an increase of 10.2% over the previous year.

This year, the most spectacular performer in increased ad pages, however, is *Motor Trend*, up 33% in the first six months of 1985 over the similar period in 1984. The June, 1985, issue set a record for the magazine of 102.4 ad pages.

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Motor Trend circulation is now at 2.4% above the rate base. Ms. Johnson believes the public is just starting to notice important changes in the magazine's editorial content, such as more attention to the import car market and more use of color.

The improved circulation picture already has meant a slight revival for *Petersen's PhotoGraphic*. Circulation is running 4.3% above the rate base, but ad linage continues to drag.

As it was last year, *Petersen's 4-Wheel and Off-Road* circulation maintained the strongest growth rate among the magazines. From 1982 to 1983, average circulation increased 24% to 263,982. From 1983 to 1984, circulation of the magazine jumped to 300,529, an increase of 14%.

The magazine is circulating at 41% above its rate base, forcing rate base changes every six months, Ms. Johnson says.

Other Petersen automotive publications are performing exceptionally well. *Dirt Rider*, started in November, 1982, posted a 48.1% increase in ad pages, for a total of 345 ad pages in 1984. Its circulation is 111,182, up 11.2% over a 100,000 rate base.

Petersen's firearms magazines have not matched the growth of its automotive titles, but they still are performing satisfactorily, Ms. Johnson says.

The leader in the group is *Petersen's Hunting*, which ran 556.1 ad pages in 1984, an increase of 16.2%. Its circulation is 290,343, exceeding the rate base of 275,000.

Guns & Ammo turned in ad pages of 605.5 in 1984 for a 2.1% increase, and its circulation—at 522,256—is 10% above the rate base of 475,000.

The future of *International Combat Arms*, which was spun off in September, 1984, from a successful one-shot specialty magazine, is still uncertain. The editorial content was overhauled after its initial two issues. It is still too early to predict the outcome, Ms. Johnson says.

One casualty in 1984 was *Sports Car Graphic*, covering the technical and racing aspects of sporting cars. The magazine ceased publication in December after 12 issues.

So far in 1985, the only disappointment has been Petersen's failure to rejuvenate *Pickups & Mini-trucks*. Ms. Johnson says the magazine's editorial content overlapped too conspicuously with *Petersen's 4-Wheel and Off-Road* for it to achieve a separate identity. After a name change and at least two major attempts to alter editorial direction, the company folded the publication in June.

In 1984, Petersen issued 42 one-shot specialty magazines that sold more than 4.4 million copies. Another 49 one-shot titles are planned for 1985, including four teen-oriented magazines, a dozen hunting and gun specials, and a magazine on home fitness equipment, a new frontier for Petersen. The remainder will be in the automotive area.

MEDIA PROPERTIES

Magazines

Car Craft, Circle Track, Dirt Rider, Drag Racing, Guns & Ammo, Hot Rod, International Combat Arms, Motor Trend, Motorcyclist, Petersen's 4-Wheel & Off-Road, Petersen's Hunting, Petersen's PhotoGraphic, Sea, Skin Diver, 'Teen. Also one-shot special interest publications.

OTHER OPERATIONS

Art galleries, real estate, restaurants.

RANK

Pittway Corp. 87

Northbrook, Ill.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	115	98	17.3
Total sales	496	432	14.8
Net income	32	26	20.6
Sales per medium			
Newspaper	0	0	0
Magazine	115	98	17.3
Broadcast	0	0	0
Cable	0	0	0

Pittway Corp., Northbrook, Ill., is the nation's 87th largest media company with media revenues of $115 million for 1984, an increase of 17.3% over 1983.

Media revenues came entirely from Pittway's business press subsidiary, Cleveland-based Penton/Industrial Publishing Co. and made up 23% of Pittway's total 1984 revenues of $496 million.

Pittway's 1984 net income was $32 million, up 20.6% from 1983. Net income for Penton/IPC was not available, but pretax income from publishing was $19.8 million, says Thomas L. Dempsey, chairman-ceo, Penton/IPC, and vp, Pittway. Saddlebrook Real Estate & Resort, a property contained in the publishing division, reported a pretax income of $1.7 million.

Mr. Dempsey says ad revenues from 26 magazines and one annual catalog accounted for about three-quarters of Penton/IPC's revenues of $150 million in 1984, up 19% from 1983. Part of those revenues come from group buys through Penton Executive Network, a network of 13 Penton/IPC publications with primary circulation of 1.5 million that is sold as a group.

Graphic services, marketing and education services and its Saddlebrook Real Estate & Resort business made up the balance, Mr. Dempsey says.

He projects an increase of 10% to 15% in revenues in 1985. With 21 of the company's magazines reporting increases in ad pages and profits, total ad pages have risen 7% by the end of May, 1985. Mr. Dempsey says Penton/IPC posted 35,000 total ad pages in 1984, an increase of about 10.5% over 1983.

A major contributor to Penton/IPC's success in 1984 was *Machine Design*, which Mr. Dempsey calls "the No. 1 IPC magazine last year and this year." He says the magazine has a circulation of 165,000 and posted an increase of 650 ad pages in 1984. The publication had 1984 estimated gross ad revenues of a little more than $20 million, Mr. Dempsey says.

Last year proved successful for a number of other Penton/IPC publications as well. *New Equipment Digest* was up 187 ad pages, *Industry Week* was up 191 pages, *Heating/Piping/Air Conditioning* reported an increase of 229 ad pages, *Production Engineering* was up 176 pages, and *Computer-Aided Engineering* posted an increase of 150 ad pages in 1984, according to Mr. Dempsey.

The company has one annual magazine—*Chemical Engineering Catalog*. All other publications are monthly or every-other-monthly, and no changes in issue schedules are planned, Mr. Dempsey says.

The company widened its publications family with the March, 1985, acquisition of *Millimeter* from Peter Jablon and Bill Blake for an undisclosed price. Targeted at readers who are "production people in movie and television programing," the magazine is printed 13 times a year and has a circulation of 26,000, Mr. Dempsey says. *Millimeter's* ad pages were 1,700 in 1984 and have risen 3% thus far in 1985, he says.

Penton/IPC instituted a rate increase in 1984 for the battery of magazines of between 5% and 6%, and followed it with an increase in 1985 of 5%, Mr. Dempsey says, adding that no further increases are slated for the rest of the year.

MEDIA PROPERTIES

Magazines

Air Transport World, Chemical Engineering Catalog, Computer-Aided Engineering, Contracting Business, Foundry, Government Product News, Handling & Shipping Management, Heating/Piping/Air Conditioning, Hydraulics & Pneumatics, Industry Week, Lodging Hospitality, Machine Design, Material Handling Engineering, Materials Engineering, Millimeter Magazine, Modern Office Technology, New Equipment Digest, Occupational Hazards, Power Transmission Design, Precision Metal, Production Engineering, Progressive Architecture, Restaurant Hospitality, School Product News, Used Equipment Directory, Welding Design & Fabrication, Welding Distributor.

Other media

Direct response cards, directories, annuals and Management Personal Time, a magazine network sell based on demographics.

OTHER OPERATIONS

Animated films, C&A Investments, Curtis & Pease (direct mail marketing), list sales, Mail-Tel Service, market research, Penton/IPC Press (graphic services), Penton Learning Services, Penton Exhibition Division, Pittway Real Estate, Saddlebrook Resorts.

RANK

Playboy Enterprises 67

Chicago

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	166	159	4.9
Total sales	187	194	-3.4
Net income	27	-17.5	256.3
Sales per medium			
Newspaper	0	0	0
Magazine	147	150	-2.1
Broadcast	0	0	0
Cable	16	8	88.0

Playboy Enterprises, Chicago, is the 67th largest U.S. media company, with media revenues of $166.3 million for the fiscal year ended June 30, 1984, up 4.9% from fiscal 1983.

Media revenues accounted for nearly 89% of total 1984 revenues of $187.1 million. In the previous year, restated media revenues of $159 million constituted 84% of the corporate total.

Publicly held Playboy reported fiscal 1984 net income of $27.3 million, nearly a $45 million turnaround from the $17.5 million net loss reported in fiscal 1983.

For the nine months ended March 31, 1985, however, Playboy's net income was down 67% from the year-earlier period, while income from continuing operations was down 20%, to $3.5 million. The drop reflects declining newsstand sales and slow growth at Playboy Enterprises video division. Previous year figures, however, included gains from the sale of casino and real estate holdings. Nine-month revenues were flat, up only 3.4% to $144.9 million.

The company's media sales consist of revenues from *Playboy* and *Games* magazines, the cable Playboy Channel and sales of "adult" videocassettes.

The flagship *Playboy* magazine contributed 72% of the company's total media revenues in 1984, with the monthly *Games* and other publishing activities adding another 16%. Publishing division revenues of $147 million were down 2% from restated 1983 publishing revenues of $150.2 million. Pretax income for publishing operations was $17.9 million in 1984, up 175% from $6.5 million in 1983.

The remaining 12% of media revenues consisted of $15.6 million in subscription fees for the Playboy Channel, an 88% increase from the previous year. Launched in November, 1982, the service had 720,000 subscribers at fiscal yearend, its first full year of operation.

Revenues of $3.4 million attributed to programing production and home video product sales are included in the media totals.

Playboy's video segment posted total revenues of $19.2 million, up 55% from 1983. The division suffered a pretax loss of $317,000 in 1984, compared with a $2.3 million loss a year earlier.

Fiscal 1984 saw a continued but tempered downturn at *Playboy*, with total revenues for the magazine of $120 million representing a 1.6% drop from fiscal 1983 revenues, which were down 12.7% from the previous year.

The recent decline was mostly because of lower ad revenues, though higher circulation revenues partially offset those declines. Newsstand revenues were up $1.8 million, or 4.4%, in fiscal 1984 mostly because of an October, 1982, price increase first reflected in fiscal 1983 results. (In June, 1984, *Playboy* again raised its cover price 50¢ to $3.50.) Subscription revenues were up $1.9 million, or 5.5%, in the same period.

Ad revenues, however, fell 12.5% to $46.4 million because of a 10% drop in total ad pages, to 1,039. The magazine's total rate base dropped from 4.4 million to 4.1 million in August, 1983, resulting in a 7.2% decline in ad rates.

Playboy's guaranteed rate base has remained steady at 4.1 million—including 2.2 million subscribers—since that time though; a 7% ad rate increase took effect last October.

The New York-based *Games* magazine had a yearend 1984 circulation average of 660,000, up 1.2% from the previous yearend. *Games* sold 252 ad pages in 1984, a 24% drop from a year earlier, while ad revenues for the magazine were $2.9 million, down 13.3% from 1983. The company attributes the drop to erosion in videogame advertising as that industry suffers continuing declines. For the first three issues of 1985, the magazine sold just 49 ad pages for revenues of $590,000.

Plans for improving *Games'* fortunes include developing automotive, camera and computer ad categories to reach the magazine's college-educated, younger and relatively affluent audience.

Several executive changes at *Playboy* signaled a changing of the guard as company president-chief operating officer Christie Hefner continues to implement her long-term strategy for the flagship magazine.

That strategy includes an increased emphasis on service features in *Playboy*, an attempt to differentiate the 30-year-old magazine from its more sexually explicit competitors.

Company chairman-ceo and founder Hugh Hefner, father of Christie, said he will lessen his involvement in day-to-day affairs of the magazine following a stroke suffered in March, 1985.

Nat Lehrman, senior vp-president of Playboy Enterprises' publishing division and associate publisher, *Playboy*, announced his intention to retire when a successor is named, though he says he will remain a consultant to the magazine.

On the corporate side, John Phillips, senior vp-chief financial officer, also left the company in May, 1985. Earlier last year, the two-member office of the president was disbanded when exec vp Marv Huston left the company. Stephen Silverstein, the senior vp-chief financial officer who preceded Mr. Phillips, also left.

Meanwhile, Paul Klein left his post June, 1984, as corporate senior vp and president of the Los Angeles-based Playboy Channel to form the competing HiLife pay cable network.

In early 1985, Playboy execs announced the channel would begin airing older, nonsex-oriented features to broaden its appeal, and they said the company would invest $30 million on original programing and promotion for the channel. The promotional effort includes a $3.2 million, seven-month campaign promising "entertainment for men and women," a sign that execs hoped to bring a more varied life-style approach to the soft-core sex channel.

The cable service also hopes to expand its presence in the growing hotel pay tv market.

MEDIA PROPERTIES

Cable/video

Playboy Channel, Playboy Home Video.

Magazines

Playboy, Games.

OTHER OPERATIONS

Playboy Clubs International, product sales and licensing.

RANK

Providence Journal Co. 65

Providence, R.I.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	172	145	18.8
Total sales	398	324	23.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	109	102	6.9
Magazine	0	0	0
Broadcast	28	13	112.1
Cable	35	30	16.7

Providence Journal Co., Providence, R.I., is the nation's 65th largest media company with 1984 estimated media revenues of $172 million, up 18.8% from the prior year.

Media, consisting of revenues principally from the *Providence Journal & Evening Bulletin*, Colony Communications, three tv stations and *Soap Opera Digest*, accounted for 43% of total revenues of $398 million, up 23% from 1983.

Providence Journal Co.'s newspapers—the morning *Providence Journal, Evening Bulletin* and *Providence Sunday Journal*—have maintained their news dominance in southeastern New England.

The morning *Journal* circulation grew slightly during 1984 to 84,866 reported by ABC for the March 31, 1985 period. Circulation dropped 3.4% for the *Evening Bulletin* to 125,321 from the year-earlier period, and circulation for the Sunday paper was up 1.3% to 255,425.

Providence Journal Broadcasting, which operates the broadcast properties, experienced considerable change and expansion in 1984.

The two Providence radio stations operated by the company for many years—WEAN (am) and WPJB (fm)—were sold to Eastern States Broadcasting, Washington.

In joint ventures with Southland Broadcasting and Mountain States Broadcasting, PJC expanded its tv operations into the West, buying WZAZ-TV, Tucson, Ariz., and KGSW-TV, Albuquerque, N.M., in January, 1985, and started cellular radio services in Providence (Metronet) and Raleigh, N.C. (Carolinanet).

Also demonstrating expansion, the company's Providence Gravure subsidiary, based in Providence, bought a $10 million, state-of-the-art laser gravure preparation system to improve printing reproduction and trim ad lead times.

The PJC's Colony Communications cable subsidiary continued to grow in 1984 with total basic subscribers of 198,208, up 5.7%, and total pay of 200,926, up 11.6%.

Colony acquired Vision Cable Co., Pawtucket, R.I., in March, 1985, from Rhode Island Cable Television, a subsidiary of Times Mirror. The Pawtucket system has a 29,948 subscriber potential. Colony also opened in May, 1985, the Costa Mesa, Cal., system with a 34,000 subscribers potential which Colony holds in joint venture with Copley Newspapers. The joint venture expects to start up operations in the third quarter, 1985, in Cyprus, Cal., system with a potential of 13,000 subscribers.

Throughout 1984, Colony has upgraded several systems including the Woburn section of Greater Boston Cable, adding an addressable converter and building up from a 35 channel to a 58 channel capacity. The converter allows additional services like ESPN, HBO or the Disney Channel to be added by computer to a subscriber's line.

Colony got a new president-chief operating officer when Charles Townsend replaced a vacancy left by Roger R. Turner who became president of Cable Vision Industries in Liberty, N.Y. Mr. Townsend was formerly vp-marketing, United Cable Television of Denver.

A major management shift corporatewide took place in April, 1985, when Michael P. Metcalf, a third-generation Providence Journal Co. executive, was promoted to board chairman-chief executive officer following the retirement of John C. A. Watkins, who had been chairman since 1974.

Traditionally attuned to press promotion only, the *Providence Journal-Bulletin* newspapers used spot tv to call attention to its new "Sports Monday" pages wrapping up the heavy weekend sports activities. According to Leading National Advertisers, the papers pumped $170,000 into the medium to introduce the sports product last fall. Spots, prepared by Quinn & Johnson, Boston, featured New England Patriots quarterback Steve Grogan and head coach Ron Meyer.

MEDIA OPERATIONS

Broadcasting

TV: WPHL, Philadelphia; WZAZ, Tucson; KGSW, Albuquerque, N.M.

Cable/video

Colony Communications, serving CALIFORNIA: Harbor City, Lomita (partial interest), San Pedro, Wilmington. FLORIDA: Hialeah-Coral Gables (88.9%). MASSACHUSETTS: Fall River (84%), Lowell, New Bedford (86%), Woburn. NEW YORK: Beacon, Hyde Park, Lloyd, Monroe, Poughkeepsie. RHODE ISLAND: Hopkinton, Westerly. Copley/Colony Cablevision, serving CALIFORNIA: Costa Mesa, Cyprus (in preconstruction stage). Multipoint distribution systems—MASSACHUSETTS: Boston, Springfield. RHODE ISLAND: Providence. Videotex system in Providence, R.I.-New Bedford, Conn. areas.

Magazines

Network Publishing Corp., publisher of *Soap Opera Digest.*

Newspapers

Providence Journal, Evening Bulletin, Sunday Journal.

OTHER OPERATIONS

Providence Gravure, Providence, R.I., wholly owned commercial printing subsidiary that includes Texas Color Inc., Dallas; Virginia Gravure Inc., Richmond; Kable Printing Co., Mount Morris, Ill.; Cellular radio-beeper service; Metronet, Providence, and Carolinanet, Raleigh, N.C.

Pulitzer Publishing Co.

St. Louis

RANK 46

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	256	242	5.8
Total sales	256	242	5.8
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	170	145	17.1
Magazine	0	0	0
Broadcast	86	97	-11.2
Cable	0	0	0

Pulitzer Publishing, the 46th largest media company with media revenues of $256 million in 1984, up 5.8%, stepped out of its traditional business of publishing daily newspapers in June, 1985, to purchase the Lerner Newspapers, a chain of weekly newspapers.

Pulitzer, whose major property, the *St. Louis Post-Dispatch*, faces encroachment in its own market from free community weeklies, in purchasing Lerner gets 45 weeklies, four Sunday papers and three free "shoppers" rimming the Chicago area. Lerner has a combined circulation of 300,000 and minority interests in 11 suburban Chicago cable-tv franchises.

All of Pulitzer's revenues are generated by media sources. About two-thirds come from the company's two newspapers, about $132 million from the *Post-Dispatch* and $38 million from the *Arizona* (Tucson) *Star*. The remainder comes from its broadcast properties.

Lerner, which should contribute as much as $15 million in revenues to Pulitzer, became a likely acquisition target following the death of Louis Lerner in November, 1984. He was editor, publisher and sole owner.

Pulitzer Publishing is privately owned, with the majority of stock held by chairman of the board Joseph Pulitzer Jr. and other members of the Pulitzer family.

Mr. Pulitzer, now in his early 70s, is expected to retire within the next few years. Successors probably will be his brother, Michael E. Pulitzer, vice-chairman of the board, and Glenn A. Christopher, president-ceo.

In addition, Joseph Jr.'s son, Joseph IV, who is in his mid-30s, is being moved through the ranks of reporting, editorial, production and advertising departments at the *Post-Dispatch*, apparently in preparation for leadership of the company.

The company spent much of the past year trying to adjust to some of the changes it brought upon itself. Early in 1984, Pulitzer's flagship property, the *St. Louis Post-Dispatch*, switched from afternoon to morning publication and steered a path of direct competition against its old partner, the *Globe-Democrat*.

Independent publisher Jeffrey M. Gluck bought the *Globe* in February, 1984, after its previous owners, Advance Publications (S.I. Newhouse) tried to close it. Because the *Post* and *Globe* were operating under a federally sanctioned joint operating agreement, the Department of Justice intervened to expedite the sale of the *Globe*.

The *Globe* has survived as a slimmer version of its former self. Circulation dropped from more than 230,000 when Mr. Gluck took over the paper to 210,000 in September, 1984, and 201,000 for the six-month period ended March 31, 1985.

The *Globe* launched a free-circulation Sunday paper this May 5 in an effort to crack the *Post's* monopoly on the Sunday market and to muscle in ahead of the Suburban Journals of Greater St. Louis, a chain of free Wednesday weeklies. The Suburban group, owned by Ingersoll Publications of Lakeville, Conn., reportedly long had been considering starting a weekend edition.

Post-Dispatch circulation rocketed during the first three months after its move to morning and has continued a steady growth pattern. Circulation for the six-month period ended Sept. 30, 1984, was 264,721 daily, 243,500 Saturday and 479,075 Sunday.

By March, 1985, the *Post-Dispatch's* daily circulation had risen to 273,784, a 7.6% gain over March, 1984, while Sunday increased to 495,111, up 1.2% over the previous March.

Post-Dispatch officials say they are less concerned with ad competition from the *Globe* than with competition from the Suburban Journals, whose free weeklies have a combined circulation of some 827,000.

The suburban weeklies have taken most of the grocery chains' preprint advertising away from the dailies, and the *Post-Dispatch* has fought back by starting a total market coverage vehicle called *You*. The 12-to-16-page broadsheet is dropped at 500,000 doors Wednesday mornings. *You* has been struggling—officials admit it has lost money most weeks—but apparently it's considered a defensive necessity.

The area's largest grocery chain recently dropped its Suburban Journals connection and began mailing its inserts via John Blair & Co.'s ADVO-Systems. In response, the *Post-Dispatch*, which argues that the Suburban Journals are losing their grip on the grocery chains, says it is developing a new editorial package to lure other grocery chains away from the Suburban Journals.

While the *Post-Dispatch* has made gains during the past year, circulation at Pulitzer's Sunbelt daily, the morning *Arizona Star* of Tucson, is slipping. Daily circulation as of March, 1985, fell 0.08% to 80,384 and Sunday dropped 0.04% to 150,059, according to ABC reports.

One reason, perhaps, for the slight stagnation in circulation is the *Star* raised its single-copy price to 35 cents from 25 cents this January, and the Sunday paper went from 75 cents to $1 last October.

The *Star* has a joint operating agreement with Gannett Co.'s evening *Citizen*, whose circulation dropped 4.4% during the past year to 62,445 in March.

While Pulitzer's newspapers are doing well, challenges lie ahead. Newsprint costs are on the rise again, and according to Pulitzer vp, Nicholas G. Penniman, "we still don't have a good handle on labor costs at the *Post-Dispatch*." Union contracts there will expire in February, 1986.

Pulitzer got out of the big-city tv business in 1983 when it sold its St. Louis tv property to Multimedia Inc., of Greenville, S.C., in return for $8.5 million in cash plus tv stations in Greenville and Winston-Salem, N.C.

Later that year it purchased uhf stations in Fort Wayne, Ind., and Louisville, Ky., from Gannett.

Pulitzer apparently prefers to operate tv stations in midsized cities—those in the 30th to 100th largest markets. "We seem to do well with stations in that size range," Mr. Penniman says.

The most profitable Pulitzer stations are said to be WGAL-TV in Lancaster, Pa., and WYFF-TV in Greenville, S.C. Both are NBC affiliates that lead their respective markets. Pultizer's KOAT-TV in Albuquerque remains one of ABC's strongest affiliates.

MEDIA PROPERTIES

Broadcasting

TV: KETV, Omaha, Neb.; KOAT, Albuquerque, N.M.; WGAL, Lancaster, Pa.; WLKY, Louisville, Ky.; WPTA, Fort Wayne, Ind.; WXII, Winston-Salem, N.C.; WYFF, Greenville, S.C.

RADIO: KKLT (fm) and KTAR (am), Phoenix.

Newspapers (dailies)

ARIZONA: *Arizona Daily Star* (Tucson).
MISSOURI: *St. Louis Post-Dispatch.*

Newspapers (weeklies)

Gained from Lerner acquisition: Myers Mid-week Newspapers: *Albany Park News, North Town News, Ravenswood-Lincolnite, Ravenswood News, Rogers Park-Edgewater News, Uptown News. Sunday Star/Sunday Life: Chicago Sunday Star, Skokie Sunday Life.* Booster Mid-week Newspapers: *Lincoln-Belmont Booster, Lincoln Park Lake View Booster, North Center-Irving Park Booster. Sunday Booster,* Booster Newspapers, *Weekend Booster.* Times Newspapers: *Harlem-Foster Times* (city), *Harlem-Foster Times* (suburban), *Harlem-Irving* (city), *Harlem-Irving* (suburban), *Franklin Park Times, Elmwood Park Times, Northlake Times, Northwest Times, Proviso Times, River Grove Times, Schiller Park Times, Portage Park Times, Jefferson-Mayfair Times, Logan Square Times.* Near North Suburban: *Lincolnwood Life, Morton Grove Life, Niles Life, Skokie Life.* Far North Suburban: *Deerfield Life, Northbrook Life, Glenview Life, Wheeling Life.* No. Suburban Quality Group:*Near North Suburban, Far North Suburban.* Skyline: *Skyline.* Voice Newspapers: DuPage County Voice, Voice of Bensenville, *Voice of Hanover Park North, Voice of Hanover Park South, Voice of Hoffman Estates, Voice of Itasca, Voice of Roselle, Voice of Bloomingdale, Voice of Schaumburg, Suburban Voice.*

OTHER OPERATIONS

Sports Stats (80% interest), Frank Popper Audiovisual Productions.

RCA Corp.

New York

RANK 4

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	2,371	2,090	13.4
Total sales	10,112	8,980	12.6
Net income	341	227	50.2
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	2,371	2,090	13.4
Cable	0	0	0

RCA Corp., New York, ranks as the 4th largest media company with media revenues of nearly $2.4 billion in 1984, up 13.4% from 1983. All of the company's media dollars are generated by NBC.

Once again, NBC represented nearly a quarter of the corporation's annual revenues. Pretax earnings for NBC last year came to $218.1 million, up 40% from 1983.

All of the operating units under the NBC umbrella recorded higher profits in 1984.

The NBC-TV Network scored significant A.C. Nielsen Co. ratings gains in the recently completed 1984-85 prime-time tv season. NBC, which now has 206 affiliates, advanced from third to second position in the prime time Nielsen ratings race early last fall. It consolidated its runnerup position with the World Series last October and with its first November sweeps win since 1976, as ABC fell into the Nielsen cellar, also for the first time in nearly a decade.

NBC's owned tv stations division (five outlets) also enjoyed record sales and earnings, for the fifth straight year. The company, which did not break out results for its radio networks and eight owned radio outlets, said audience levels for the radio division continued to increase; NBC's three radio networks (NBC, The Source, Talknet) have more than 500 affiliates.

During the opening 1985 quarter, RCA reported NBC was the standout in its quarterly report, with earnings triple those of the 1984 opening period, although the parent did not disclose NBC results.

Perhaps even more important than its upsurge in prime time household ratings, NBC executives said, is the network's increasing hold on viewers in virtually all the key age, sex and income demographic breakouts supplied by Nielsen, even as CBS and ABC showed slippage. NBC executives were especially pleased with having led among adults aged 18 to 49, the category "with the greatest appeal to advertisers," and among those aged 25 to 54, an audience segment archrival CBS long has been touting as the most attractive.

Explaining how CBS can win the homes ratings race while NBC captures the total persons crown, William Rubens, NBC vp-research, says NBC's strength is among younger households containing four or more people, whereas CBS dominates among the older one and two person households.

According to Robert Blackmore, senior vp-sales, demographics, not household ratings, form the basis "for 95% or more of our advertising sales."

Besides posting household ratings gains every night of the week in the past season, led by Thursdays and Fridays, NBC boasted of dominating its rivals in ratings tallied by made-for-tv and theatrical movies and miniseries. Of the new-for-fall 1984 series that will be renewed for 1985, NBC and CBS each has two: "The Cosby Show" and "Highway to Heaven" on NBC and "Murder, She Wrote" and "Crazy Like a Fox" on CBS.

Besides "Cosby," NBC placed "Family Ties" and "The A-Team" among network tv's top 10 for the full season in household ratings, with "Cheers," "Riptide," "Highway to Heaven" and "NBC Monday Night Movie" cracking the top 20, the latter the highest rated movie package of all the networks. Seven other shows were among the season's 40 highest rated programs.

NBC, coming off a season in which it trailed prime time leader CBS by just seven-tenths of a rating point, is poised for its strongest competitive thrust in prime time in 10 seasons. Executives forecast the tightest ratings race in recent memory.

NBC, which recently unveiled its new fall prime time schedule, is replacing just four hours of weekly programing, which Brandon Tartikoff, head of NBC Entertainment, noted is "the least amount of change NBC's had in 15 years."

NBC for the first time in two years will carry the Super Bowl, also sure to bolster its Nielsen performance for 1985-86. Due Jan. 26, Super Bowl XX is pegged at a record $550,000 per 30-second commercial; last season, ABC was the first to put this event over the $500,000-a-30 (or $1 million-a-minute) plateau.

Looking beyond prime time, Tony Cervini, vp-affiliate relations, says, "Our goal is to be No. 1" across all dayparts, with Pierson Mapes, network president, adding that NBC has the best chance of attaining that unheard of goal of any network in recent years.

Mr. Tartikoff pointed to ratings leadership in Saturday morning children's programing (for the third season) and in late night by "The Tonight Show," now solidly ahead of No. 2 CBS' rerun fare. Mr. Mapes noted "Today" is giving ABC's front-running "Good Morning America" its stiffest ratings challenge in several years in the early morning daypart. NBC's evening newscast with Tom Brokaw has recaptured the No. 2 spot in that daypart from ABC (the runnerup a year ago).

That leaves daytime, whose continuing growth is "our No. 1 priority," said Mr. Mapes. A distant also-ran in the daytime race as recently as 1983, NBC has closed to about a rating point behind runnerup ABC. To narrow that gap still further, Mr. Mapes and other NBC executives have been exhorting holdout affiliates to improve clearances. CBS and ABC have daytime clearance levels of 93% and 96%, compared with NBC's 91%, so "we need 94% coverage for parity," Mr. Mapes says.

NBC's biggest daytime push, in both promotion and clearances, for the past year has been focused on "Santa Barbara," which began in July, 1984, and has until July, 1986, to make good. Having already persuaded enough affiliates to give that soap opera 96% clearance (up from 74% last summer), NBC executives hope to cajole the remaining reluctant stations for that serial as well as for Procter & Gamble's "Search for Tomorrow" and the game show "Super Password."

The NBC News operation, which occupies about 20% of the network's schedule, is out to begin operating as a profit center instead of a loss leader in the season ahead, according to Larry Grossman, president.

There will be a series of "Time Out" children's news specials in the after-school viewing span as well as "America's Almanac," NBC's 14th attempt at a weekly prime time newsmagazine. "Almanac" will have two pilots and a series of monthly on-air tryouts from August through December before its weekly bow in January.

As chairman Thornton Bradshaw and president-ceo Robert Frederick have pointed out on numerous occasions, the parent in the past four years has been emphasizing its "core businesses," entertainment, communications and electronics. In the past couple of years, Mr. Bradshaw has reiterated that NBC, given its importance to this core-businesses strategy, is not for sale.

"Our health is obviously better" than in the past four years, NBC chairman Grant Tinker told the annual affiliates convention in May. Thanks to its ratings comeback, forecast of stronger ad sales and RCA Corp.'s ongoing support, Mr. Tinker said, "We don't have to worry about people like Ted Turner casting covetous glances our way."

In radio during the past year or so, NBC sold one outlet, WRC (am), Washington, and acquired another, WJIB (fm), Boston. Early in 1984, RCA initially showed interest in a Dallas fm station, KIXK, that ABC Inc. later bought. On the management side, NBC Radio division in the summer of 1984 named Randall Bongarten, formerly vp-general manager, WNBC (am), as president.

Home video, a potential ad medium of the future, represented a growth area for RCA, both in terms of hardware sales of videocassette recorders and in software sales of prerecorded videocassette titles here and abroad. Income for 1984 was hurt by the special provision of $175 million,

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MEDIA PROPERTIES
Broadcasting
TV: NBC-TV Network, with 206 affiliates. NBC-owned stations: WNBC-TV, New York; KNBC-TV, Los Angeles; WMAQ-TV, Chicago; WKYC-TV, Cleveland.
RADIO: NBC Radio Network, The Source and Talknet. NBC-owned stations: WJIB (fm), Boston; WNBC (am) and WYNY (fm), New York; WMAQ (am) and WKQX (fm), Chicago; KNBR (am) and KYUU (fm), San Francisco; WKYS (fm), Washington, and WJIB (fm), Boston.
OTHER OPERATIONS
RCA/Columbia Pictures International Video (home video), RCA Records, RCA consumer products division (tv, videocassette sets), Hertz Corp., RCA Americom (satellite).

Reader's Digest Assn.

RANK 57

Pleasantville, N.Y.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	205	203	1.0
Total sales	1,567	1,500	4.5
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	194	191	2.0
Broadcast	0	0	0
Cable	0	0	0

Reader's Digest Assn., Pleasantville, N.Y., is the country's 57th largest media company, with 1984 U.S. media revenues estimated by ADVERTISING AGE at $204.5 million, up 1% from 1983's estimated media revenues.

The company's media revenues are derived from its flagship monthly, *Reader's Digest*, and Source Telecomputing, the personal-computer electronic information service. It is estimated the *Digest* provided 95% of domestic media revenues; it also produces considerable revenue from its foreign editions.

For 1984, advertising revenues for the U.S. edition of *Reader's Digest* rose 10.1%, to $111.9 million, while advertising pages rose 4.3%, to 1,076. Through the first six months of 1985, ad pages were down 1.9%. As of the six months ended Dec. 31, circulation stood at 17,866,798, down 0.4% from the year earlier period, continuing the decline that began in 1983.

The past year has been one of digestion for Reader's Digest Assn., as it assimilates and adjusts to the sweeping changes at its highest levels that took place in May, 1984. At that time, George Grune became chairman-ceo, Richard McLoughlin vice-chairman/publisher and William Cross president-chief operating officer. These moves followed the replacement of editor-in-chief Edward Thompson by Kenneth Gilmore.

The changes, just after the death of co-founder Lila Acheson Wallace, shone a bright spotlight of publicity onto the usually low-profile company; articles characterizing the changes as "upheaval at the top ...a fight over philosophy... intrigue behind the ivy" appeared in such publications as the *New York Times* and *Fortune*.

Since then, the company has been working hard to reshape operations to conform more closely to its new top executives' philosophies and practices.

There have been several changes in personnel at key posts. Lynn Mapes was named vp-associate publisher and Richard Murray became vp-advertising sales director.

Among the other steps taken at the company's various and far-flung worldwide operations were: Closing its Philadelphia sales office; opening one in Washington; closing its Madrid-based Spanish subsidiary; discontinuing its educational division, which marketed *Reader's Digest* Software; shutting the Original Print Collectors Group, a direct mail catalog operation, and reducing marketing efforts aimed at increasing subscriptions among blacks in South Africa, while at the same time giving advertisers rebates when circulation in that country did not match figures projected to include growth among black readers.

In the advertising, marketing and promotion areas, there were several developments. Effective with last January's issue, advertisers in *Reader's Digest* are being offered a "perfect" half-circulation A/B split run, at half the regular page rate. *RD* execs are implementing a program to attract marketers' tune-in advertising, tied to specific tv miniseries and other "event programing." That included, for example, Procter & Gamble and NBC's "A.D." and Bristol-Myers and CBS' "Do You Remember Love."

The tune-in advertising, in the form of multipage ads, is of a type that usually would appear in *TV Guide* or daily newspapers, thus representing new opportunities for *RD*.

In the Latin American market, a new total Spanish-language circulation rate base of 1,555,000 is being presented to advertisers, covering 10 editions and offering discounts as high as 40%.

Reader's Digest changed agencies for its trade advertising twice, to follow James Parry as he changed agencies, first from Posey, Parry & Quest to Henderson Friedlich Graf & Doyle, and then to James Parry Inc. from HFGD.

Mr. Parry also is working on a corporate campaign for the parent Reader's Digest Assn. And *RD's* single-copy sales account was moved, too, to *TV Guide*, which now handles accounts of other publications, from Select Magazines. *RD* in April marked the 30th anniversary of the acceptance of advertising in its U.S. edition.

In other areas, Reader's Digest Assn. is expanding its entertainment unit, which produces tv programing, into feature films. And it has signed a cooperative agreement with Metropolitan Life Insurance Co. for the latter to sell insurance to *RD* subscribers.

MEDIA PROPERTIES
Electronic publishing
Source Telecomputing.
Magazines
Reader's Digest.
OTHER OPERATIONS
Readers Digest Entertainment, book publishing, mail order sales of records and tapes.

RKO General

RANK 59

Akron, O.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	200	176	13.8
Total sales	371	335	10.6
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	200	176	13.8
Cable	0	0	0

RKO General, a subsidiary of GenCorp, Akron, O., the nation's 59th largest media company, had estimated 1984 media revenues of $200 million, up 13.8% from 1983. Media revenues represented 53.9% of total revenues in 1984 of $371 million, up 10.6%.

RKO's parent, GenCorp, renamed from General Tire & Rubber two years ago, had total net revenues of $2.7 billion in 1984, up 8% from 1983.

RKO consists of divisions in tv and radio broadcasting, soft drink bottling, theatrical production for pay tv, motion picture productions, hotel development and management, airline transportation, and data and information transfer systems.

RKO recently announced the sale of its radio networks to United Stations Radio Networks, New York-based producer of network radio programs partly owned by entertainment entrepreneur Dick Clark. Terms have not been disclosed, but it is believed RKO's asking price was about $20 million. RKO Radio Networks supplies programing and advertising to about 1,500 radio station affiliates. The sale was precipitated in part by trouble encountered by the company last year when it was disclosed that RKO had overbilled advertisers by some $7.9 million.

The network sale will have no impact on RKO owned and operated stations, says Steve Ellis, vp-communications.

The company spent a good deal of time extricating itself from the internal and credibility problems created by the highly publicized overbilling, which led to the resignation of three top executives of RKO Radio, including president Thomas Burchill. His replacement, Jerry Lyman, was elevated from vp-general manager of RKO's WGMS (am, fm) in Washington and vp-governmental relations. The overbilling also has become an issue in RKO license renewal hearings for its radio and tv holdings before the FCC.

Elsewhere among radio properties, RKO's WRS (fm) in New York and WAXY (fm) in Fort Lauderdale, Fla., became ratings leaders in their respective markets.

Tv also produced "exciting" results for RKO, Mr. Ellis says. WOR-TV, New York, enjoyed ratings increases primarily because of the improved performance of the New York Mets, whose games are televised by the station.

RKO Pictures also finished production of two films to be released later this year—"Mesmerized," featuring John Lithgow and Jodie Foster, and "Plenty" featuring Meryl Streep and Sir John Gielgud. RKO also is attempting to market films on home videocassettes. Growth has been as slow as expected because of the competitive market, acording to Mr. Ellis.

In other nonmedia areas, Frontier Airlines, which continues to perform poorly, is on the block. The air carrier lost $9 million last year, only a slight decrease from the $9.9 million loss in 1983. Mr. Ellis blames tight competition in the Denver hub of operations and the cost of fuel for the poor showing.

RKO Bottlers posted a record net revenues of $171 million during the year. It acquired the Pepsi-Cola Bottling Co. of Dover, O., its 10th bottling franchise, during the year.

RKO General chairman-ceo Thomas F. O'Neil retired in 1984 and his son, Shane O'Neil, 37, has taken over his duties, although with the title of president.

MEDIA PROPERTIES
Broadcasting
TV: KHJ, Los Angeles; WOR, New York; WHBQ, Memphis.
RADIO: KHJ (am) and KRTH (fm), Los Angeles; KFRC (am), San Francisco; WGMS (am, fm), Bethesda, Md.—Washington; WAXY (fm), Fort Lauderdale; WFYR (fm), Chicago; WRKO (am) and WROR (fm), Boston; WOR (am) and WRKS (fm), New York; WHBQ (am), Memphis.
OTHER OPERATIONS
Frontier Airlines, movie production, RKO Bottlers.

Media companies by estimated magazine revenues

with top magazine's ad sales ($000)

Company	Magazine revenues 1984	Magazine revenues 1983	1984 media revenues	Mag. revs. as % of '84 media revs.	Top magazine by ad revs.	1984 ad revs. of top mag.*	'84-'83 % chng
Time Inc.	$1,321,000	$1,131,000	$2,576,000	51.3	*Time*	$335,569	12.1
McGraw-Hill	671,700	629,700	963,700	69.7	*Business Week*	184,782	18.3
CBS Inc.	619,200	293,500	3,340,100	18.5	*Woman's Day*	110,367	4.5
Triangle Publications	589,000	517,300	657,000	89.6	*TV Guide*	304,265	12.9
International Thomson Holdings	550,000	450,000	550,000	100.0	*Medical Economics*†	22,206	10.3
Hearst Corp.	503,000	401,000	1,400,000	35.9	*Good Housekeeping*	133,313	4.9
Advance Publications	490,000	406,000	1,900,000	25.8	*Parade*	157,346	(8.6)
Dun & Bradstreet	380,000	332,500	1,400,000	22.7	*Datamation*†	18,982	26.6
Washington Post Co.	332,000	302,000	984,300	33.7	*Newsweek*	247,094	13.0
American Broadcasting Cos.	316,300	187,500	3,650,000	8.7	*Los Angeles*	13,276	15.1
Capital Cities Communications	262,900	156,000	939,700	28.0	*W*	18,283	31.1
National Geographic Society	213,400	202,000	213,400	100.0	*National Geographic*	30,004	9.6
New York Times Co.	211,000	186,400	1,229,600	17.2	*Family Circle*	130,692	10.0
Meredith Corp.	210,100	188,800	327,200	64.2	*Better Homes & Gardens*	126,134	15.7
Cahners Publishing Co.	200,000	160,000	200,000	100.0	*Restaurants & Institutions*†	30,579	35.2
Reader's Digest Assn.	194,300	190,500	204,500	95.0	*Reader's Digest*	111,854	10.1
Family Media	185,300	162,200	185,300	100.0	*Ladies Home Journal*	66,537	15.9
Playboy Enterprises	147,000	150,200	166,300	88.4	*Playboy*	54,975	(8.8)
U.S. News & World Report	143,800	130,000	143,800	100.0	*U.S. News & World Report*	101,480	8.2
Petersen Publishing Co.	142,300	131,000	142,300	100.0	*Motor Trend*†	18,514	14.8
Times Mirror Co.	140,200	130,400	1,988,300	7.1	*Popular Science*	22,946	2.9
International Data Group	138,000	85,000	138,000	100.0	*Computerworld*†	50,160	17.1
Penthouse International	115,000	109,500	115,000	100.0	*Penthouse*	22,025	(14.5)
Pittway Corp.	115,000	98,000	115,000	100.0	*Machine Design*†	20,000	29.7
Forbes Inc.	108,300	99,700	108,300	100.0	*Forbes*	109,729	29.9
McCall Publishing Co.	106,000	90,000	106,000	100.0	*McCall's*	76,274	18.5
Harcourt Brace Jovanovich	103,100	85,300	119,400	86.3	*Modern Medicine*†	7,100	23.7
Knapp Communications	97,600	88,500	97,600	100.0	*Architectural Digest*	27,765	12.6
13-30/Esquire	95,000	66,900	95,000	100.0	*Esquire*	29,888	22.7
SFN Cos.	65,200	21,100	140,200	46.5	*Drug Therapy*†	5,895	25.0
Maclean Hunter Communications	50,200	40,000	270,200	18.6	*Progressive Grocer*†	8,500	11.4
American Express Co.	42,800	33,700	279,300	15.3	*Travel & Leisure*	27,528	25.9
Warner Communications	34,500	32,000	271,800	12.7	*DC Comics*	N/A	N/A
News America Publishing	33,300	31,700	439,900	7.6	*New York*	53,865	5.3
Dow Jones & Co.	30,000	27,600	926,000	3.2	*Barron's*†	22,932	18.3
Media General	21,600	20,000	305,000	7.1	*Consultant*†	[illegible]	[illegible]
LIN Broadcasting Corp.	14,000	11,000	142,800	9.8	*Guest Informant/Leisureguides*	N/A	N/A
Times Publishing Co.	10,300	10,000	152,000	6.8	*Florida Trend*†	3,200	28.0
Dispatch Printing Co.	2,000	N/A	152,000	1.3	*Ohio Magazine*†	2,000	N/A
Oklahoma Publishing Co.	1,900	1,700	389,200	0.5	*Okla./Texas Farmer Stockman*†	1,900	11.8

Source: *Publisher's Information Bureau
† Indicates gross ad revenues were estimated by company sources and/or Advertising Age

Rogers Cablesystems

RANK 81

Toronto

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	135	139	-3.3
Total sales	135	139	-3.3
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	0	0	0
Cable	135	139	-3.3

Rogers Cablesystems had consolidated gross revenues in 1984 of $134.9 million, a decline of 3% from 1983, ranking the Toronto-based company the 81st largest media company.

The decline is attributed to a major internal reshuffling that took place in 1983. It affected 1984's operating income which showed a 44% decline, to $31.8 million. Ad revenues, an emerging revenue stream, sprinted ahead 30% over 1983.

Ad revenues are expected to grow another 20% this year. Also in 1985, the company is emphasizing increasing the number of subscribers to basic service in the U.S. and the number of pay subscribers in Canada.

This growth plan is a new program for the company, which has stabilized after a 1983 restructuring, according to Phil Lind, president of Rogers U.S. Cablesystems. While Rogers' basic service succeeded in the U.S. in 1984, pay service continued to be a tough sell in the Canadian market, Mr. Lind says.

It was only two years ago that the Canadian government permitted the selling of pay tv services. Public approval has been equally slow in coming. Whereas 80% of the Canadian population receives basic cable, only 15% opts for pay service. There are two primary reasons: Canadian government requirements regarding content and expenditure (40% of programing content and 40% of an operator's budget must be devoted to Canadian productions) and lack of legal access to more and better U.S. services.

It is expected, however, that before yearend these constrictive regulations will go the way of the 4% limit on increases for basic service, which was rescinded in September, 1984. Rogers now has pending rate increases averaging 10% targeted for several of its larger Canadian systems.

In the U.S., Rogers consists of two divisions, Rogers U.S. Cablesystems and Rogers UA Cablesystems. According to Mr. Lind, Rogers U.S. Cablesystems generally operates newer systems mainly in the northern U.S., whereas Rogers UA Cablesystems operates the older systems in the southern half. Both companies are wholly owned by Rogers, but they are legally separate and have different corporate structures.

Concerning the poor showing in fiscal 1984, Mr. Lind says that "to make comparisons with 1983 figures is not useful because of the major changes that have occurred." Gross income per subscriber, on the other hand, averaged $268.32 a year, up from $239.78 for Rogers U.S. Cablesystems and $184.43 for Rogers UA Cablesystems in 1983.

Rogers, which serves about 500,000 basic subscribers in 16 states, in 1984 signed an agreement with Zenith Electronics Corp. to wire San Antonio, Tex., with a two-way cable system. The system became operational in March, 1985. Subscribers can order special pay-per-view programing and respond via cable to survey questions. New converter boxes are being connected at the rate of 10,000 a month, and surveys show subscribers use the services frequently.

Other locations Rogers now serves with two-way cable are Orange County, Cal.; Minneapolis and Portland, Ore. Mr. Lind believes these addressable cable systems are the wave of the future in the cable industry.

In addition to addressable systems, Rogers' is paying close attention to cost-cutting and boosting ad revenues. Because Rogers is now almost a purely operational company and has completed its construction phase, Mr. Lind says he expects the number of employes to decrease, although he declined to indicate how many employes he has now or what the drop will be.

He also says there is great potential for increased ad revenue. By late 1985 or early 1986, he expects the cable system to be spending about 10% more promoting itself in its various markets.

MEDIA PROPERTIES
Cable/video

U.S. Cablesystems, serving CALIFORNIA: Huntington Beach (50% interest), La Mirada, Rossmoor. MINNESOTA: Minneapolis (Southwest suburbs, 75% interest). NEW YORK: Syracuse (67% interest). OREGON: Portland (50% interest). UA-Columbia Cablevision, serving ARIZONA: Yuma. ARKANSAS: Bay, Bonanza, Fort Smith, Greenwood, Hackett, Jonesboro, Lake City, Luxura, Manila, Osceola, Roland. CALIFORNIA: Brawley, Calexico, El Centro, Hotville, Imperial, Westmoreland. COLORADO: Aspen, Basalt, Rifle, Snowmass. FLORIDA: Fort Pierce, Vero Beach. KANSAS: Marysville, Pittsburg. MASSACHUSETTS: North Attleboro, Taunton. NEBRASKA: Beatrice. NEW JERSEY: Allendale, Bloomingdale, Bogota, Butler, Cedar Grove, Clifton, Elmwood Park, Garfield, Glen Rock, Hackensack, Haledon, Hasbrouck Heights, Hawthorne, Hillsdale, Ho-ho-kus, Kinnelon, Lincoln Park, Little Falls, Lodi, Maywood, Midland Park, Montville, North Caldwell, North Haledon, Nutley, Oakland, Paramus, Park Ridge, Passaic, Pequannock, Pompton Lakes, Prospect Park, Ramsey, Ridgewood, Ringwood, Riverdale, River Edge, Rochelle Park, Saddle Brook, South Hackensack, Teaneck, Totowa, Upper Saddle River, Waldwick, Wanaque, Wayne, Washington Township, West Paterson, Westwood, Wood Ridge, Wyckoff. NEW MEXICO: Alamagordo. NEW YORK: Ardsley, Bellport, Bronxville, Brookhaven, Dobbs Ferry, Eastchester, Elmsford, Greenburg, Hastings-on-Hudson, Irvington, Lake Grove, New Rochelle, Patchogue, Pelham, Pelham Manor, Scarsdale, Tuckahoe, White Plains. OKLAHOMA: Arkoma, Krebs, McAlester, Muldrow, Sallisaw. OREGON: Hermiston, Pendleton, Pilot Rock, Stanfield. TENNESSEE: Fayetteville, Lawrenceburg, Pulaski. TEXAS: Alamo Heights, Balcones Heights, Balinger, Baxar County, Castle Hills, Cibolo, Comol County, Converse, Fort Sam Houston, Gainesville, Guadelupe County, Hili City Village, Hollywood Park, Kirby, Laredo, Leon Valley, Live Oak, Miles, Mount Pleasant, Mount Vernon, Pittsburg, Randolph Air Force Base, San Angelo, San Antonio, Schertz, Selma, Terrell Hills, Universal City, Windcrest, Winters. WASHINGTON: Kennewick, Pasco.

RANK 88

Sammons Communications

Dallas

($ figures — 000,000)

Corporate returns	1984	1983	% chg
Media sales	113	94	20.2
Total sales	113	94	20.2
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	0	0	0
Cable	113	94	20.2

Sammons Communications, Dallas, the nation's 88th largest media company, posted an 11% increase in the number of basic cable tv subscribers in 1984 and a 23% increase in the number of pay subscribers to record estimated media revenues of $113 million, up 20.2% from 1983.

With 661,329 basic and 598,000 pay units, Sammons, a wholly owned subsidiary of the privately owned Sammons Enterprises, is the nation's 12th largest multiple system operator, the same position it held in 1983.

The cable company has for a number of years concentrated on consolidating its properties rather than seeking new franchising not contiguous with existing systems.

However, Sammons is prepared to act when it finds a good purchase, says Jim Rosene, company spokesman, noting Sammons made a major acquisition in 1984, buying the system serving Pascagoula, Miss. Previously run by Gulf Coast Cable, the system serves 19,000 basic subscribers.

In other areas of the South, Sammons is consolidating operations. In 1984, Sammons acquired from Warner Amex Cable Communications the systems serving Dumas and Sunray in the Texas Panhandle—near other Sammons systems in that area. Sammons also concluded the purchase from Storer Cable Communications of a number of small systems in the Fort Worth area. These Texas systems represent 58,000 new basic subscribers for Sammons.

The Fort Worth system has two-way capability. Subscribers may bank, pay bills, receive Dow Jones information and obtain numerous other services through their cable system.

Mr. Rosene says this service is priced about the same as Sammons' other systems.

Sammons continues to emphasize addressability, providing specific programs and advertising to designated markets. Such a system was tested in portions of Sammons' Pleasantville, N.J., market.

Mr. Rosene says the test was conducted to establish the office and technical procedures for contending with the complexities of an addressable system.

MEDIA OPERATIONS
Cable/video

ALABAMA: Lannett, Moulton, Russellville. CALIFORNIA: Burbank, Ceres, Glendale, La Crescenta, Sylmar, Turlock, Whittier. CONNECTICUT: Waterbury. FLORIDA: Live Oak. GEORGIA: Pine Mountain, West Point. ILLINOIS: Dwight, Jacksonville, Ottawa, Pontiac, Streator. INDIANA: Logansport. IOWA: Estherville, Graettinger. KENTUCKY: Middlesboro. LOUISIANA: Vidalia. MISSISSIPPI: Brookhaven, McComb, Natchez, Pascagoula. MISSOURI: Neosho. NEW JERSEY: Dover, Morristown, Pleasantville. NEW YORK: Cortland, East Hampton Gloversville, Johnstown, Penn Yan, Wellsville. NORTH CAROLINA: Black Mountain, Canton, Clyde, Montreat, Waynesville. OKLAHOMA: Clinton, Elk City. PENNSYLVANIA: Bensalem, Easton, Emmaus, Falls Township, Fleetwood, Harrisburg, Morrisville, Oil City. TENNESSEE: Bristol, Elizabethton, Johnson City, Morristown, Newport. TEXAS: Benbrook, Borger, Dumas, Duncanville, Fort Worth, Highland Park, Pampa, Sunray, University Park. VIRGINIA: Covington, Petersburg. WASHINGTON: Ephrata, Moses Lake, Othello. Also, Sammons Productions.

RANK 18

Scripps Howard

Cincinnati

($ figures — 000,000)

Corporate returns	1984	1983	% chg
Media sales	829	751	10.4
Total sales	N/A	807	N/A
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	700	650	7.7
Magazine	0	0	0
Broadcast	118	94	25
Cable	11	6	76.6

Scripps Howard, Cincinnati, the nation's 18th largest media company, continues to solidify its properties in many of its highly competitive markets. The company has embraced a more modern image to back that effort and to complete a corporate reorganization that began in 1984.

The 106-year-old company had media revenues in 1984 of $829 million, up 10.4% from 1983, ranking Scripps Howard the nation's 18th largest media company.

Media consists of newspapers from privately held E.W. Scripps Co., Cincinnati, with estimated revenue of $700 million, up 7.7% in 1984, and tv, radio and cable from Scripps Howard Broadcasting, Cleveland, a publicly though tightly held company with revenues in 1984 of $118 million, up 17%, and net income of $18.2 million, up 3%. Cable revenues of $11 million increased substantially over last year—up 76.6%.

While E.W. Scripps Co. remains the legal name for the holding company of more than 70 media-related businesses, the company is pressing its case to be known to the public as Scripps Howard, sprucing up the lighthouse-beacon logo into a more stylized version, and dropping the hyphen in the trade name.

The largest enterprises under the Scripps Howard umbrella are its 14 daily newspapers, with a combined circulation of 1.4 million daily and 1.6 million on Sundays. It also has 21 nondailies, located in California, Florida and Kentucky, with a combined circulation of more than 565,000.

Heated competition continues between Scripp's largest paper, the *Rocky Mountain News*, and the *Denver Post*, owned by Times Mirror Co. The tabloid-sized *News* holds a strong lead in the daily competition—317,638 to 234,303—and a narrower Sunday spread of 366,003 to 354,406, according to the Sept. 30, 1934 ABC auditing period. The *News* circulation has been steadily increasing. Its March 31, 1985 daily circulation according to ABC was 329,381, up 3.2% from the corresponding period in 1983, and the Sunday paper circulation was 385,807, up 4.7%.

The *News* has invested heavily in expanding news coverage to maintain its lead. *News* staff is 60% larger than four years ago.

It is local news coverage that the *Post* itself stresses in its advertising directed at the *News*, which bears the image of the "local" paper mainly because the *Post* more recently fell to outside ownership (Los Angeles-based Times Mirror Corp). "There's more Denver in the *Post*" is the theme of its current tv and radio campaign in pressing the *Post's* own case for local flavor.

A $14 million addition is being added to the *News* building in downtown Denver, making more than 95,000-sq.-ft. available for business and editorial offices by October.

Scripps Howard strategists say they expect weekly papers to eventually expand into dailies in high-growth communities. Scripp's *Stuart* (Fla.) *News*, for instance, a former weekly, now is published seven days a week. Three nondailies, in Destin, Fla.; Jupiter, Fla., and Bardtown, Ky., now are published three times a week.

Contributing to its print media revenue is Scripps Howard's wire service, subscribed to by more than 100 newspapers. The wire service's Washington bureau is among the largest in the country, employing 40 reporters, editors, editorial writers and columnists. James Wieghart, former editor of the *New York Daily News*, joined Scripps Howard as national political correspondent last July.

United Media, New York, oversees United Features Syndicate and Newspaper Enterprise Assn. divisions. Those agencies employ, among others, advice columnist Miss Manners, investigative reporter Jack Anderson and editorial cartoonists Mike Peters and Ben Sargent, both Pulitzer Prize winners.

Comic strips such as Garfield and Peanuts have been successful for United Media. Peanuts characters, such as Charlie Brown and Snoopy, have been featured in 27 tv specials since 1965.

Another Scripps' division is Berkley-Small, Palestine, Tex., the nation's leading newspaper circulation supply house, providing promotional, management and circulation ideas for 10,000 publications. Scripps' Medina, O., plant manufactures printing presses and coin-operated newsracks.

Scripps Howard purchased Cordovan Corp. in 1980. That company publishes local business journals in 12 cities (with a combined circulation exceeding 200,000), along with four monthly magazines: *Texas Fisherman*, *Western Outfitter*, *Horseman* and *Jet Cargo News*.

Scripps Howard has sponsored the National Spelling Bee since the 1920s and several awards for journalism excellence, including the Ernie Pyle awards for human interest reporting.

Scripps Howard Broadcasting Co., the company's tv and radio broadcasting arm, has been publicly held since 1963. E.W. Scripps Co., however, owns most of the stock, increasing its 77% holdings last year to 80%. Under this arrangement, the parent company can include Scripps Howard Broadcasting on its consolidated tax return and is not obligated to pay a dividend tax for its subsidiary.

Both companies share many of the same directors and executives through the Scripps Howard Central Management Fund.

Scripps Howard Broadcasting operates five vhf tv stations, two uhf stations, three am and four fm radio stations. It owns 10 cable tv systems and has partnerships in three others located in: Bridgeport, Conn. (50% interest); lower Fairfield County, Conn. (49%), and Ann Arbor, Mich., (50%).

Because of the change in FCC broadcast ownership rules allowing greater accumulation of properties, Donald L. Perris, president-ceo, Scripps Howard Broadcasting, says the company is seeking additional tv and radio stations.

Scripps' newest station, KNXV-TV, Phoenix, began operating under the Scripps Howard name Jan. 11, when the FCC approved the transaction. The uhf station was bought for about $26 million, including a covenant not to compete, from New Television Corp. of Phoenix. The covenant prohibits the seller to use the sale money to start a station which would compete with the station just sold.

However, Scripps was ordered by the FCC to divest itself of Phoenix radio stations KMEO (fm, am) within 18 months. This is to comply with FCC regulations prohibiting ownership of both radio and tv stations in the same area. Scripps has filed a petition for reconsideration of the order.

To expand its tv audience in Tulsa by 15%, station NBC affiliate, KJRH-TV, in partnership with another local station, completed construction in October, 1984, of its 1,839-ft. transmitter.

To finance construction of its Sacramento cable system, Scripps arranged for a $100 million revolving credit facility with a group of banks. This was after Scripp's exercised its option to terminate the interest of Charles F. Dolan and his Cablevision Systems Sacramento Corp. in the Sacramento system.

Mr. Dolan's maneuvering was credited with having won the contract when he submitted his bid with Scripps Howard to wire the 350,000-home area. Scripps Howard and Mr. Dolan's company each owned 47.5% of the Sacramento cable package. A group of local investors owned the rest.

The Sacramento system when completed will have 3,000 miles of cable, making it one of the largest urban cable systems in the country. Scripps has estimated $125 million will be spent to complete construction of the system, scheduled for 1989.

MEDIA PROPERTIES
Broadcasting

TV: WCPO, Cincinnati; WEWS, Cleveland; WMC, Memphis; WPTV, West Palm Beach, Fla.; KJRH, Tulsa; KNXV, Phoenix; KSHB, Kansas City.

RADIO: KMEO (am, fm), Phoenix; WMC (am, fm), Memphis; KUPL (am, fm), Portland, Ore.; WBSB (fm), Baltimore.

Cable/video

CALIFORNIA: Tulare County, Sacramento (47.5% interest). COLORADO: Denver, Lafayette, Longmont, Fort Lupton, Louisville, Loveland, Parachute. CONNECTICUT: Bridgeport, Fairfield. FLORIDA: De Bary, Leesburg, Madison. GEORGIA: Calhoun, Elberton, Hamerville, North Dekalb, Rome, Tallapoosa, Walker County, Waynesboro. KENTUCKY: Barbourville, Bardstown, Campbellsville, Elizabethtown, Glasgow, Greenville. MICHIGAN: Ann Arbor, (50% interest). SOUTH CAROLINA: Newberry. TENNESSEE: Blue Ridge, Chattanooga, Knoxville, LaFollette, Lake City, Livingston, Tell City.

Newspapers (dailies)

ALABAMA: *Birmingham Post Herald*. CALIFORNIA: *Monterey Park Progress*. COLORADO: *Rocky Mountain News* (Denver). FLORIDA: *Hollywood Sun Tattler, Stuart News*. INDIANA: *Evansville News*. KENTUCKY: *Kentucky Post* (Covington). NEW MEXICO: *Albuquerque Tribune*. OHIO: *Cincinnati Post, Columbus Citizen Journal*. PENNSYLVANIA: *Pittsburgh Press*. PUERTO RICO: *San Juan Star*. TENNESSEE: *Commercial Appeal* (Memphis), *Knoxville News-Sentinel*. TEXAS: *El Paso Herald-Post*.

Newspapers (nondailies)

CALIFORNIA: *Alhambra Post-Advocate, Commerce Tribune* (Montebello), *East Los Angeles Gazette, East Los Angeles Tribune, Fullerton News Tribune, Montebello News*, (Monterey Park), *Pico Rivera News, Post-Advocate/San Gabriel Progress, Santa Fe Springs News, South San Gabriel/Rosemead Progress, West Whittier Independent*. FLORIDA: *Courier-Journal* (Jupiter), Destin Log, Jensen Beach Mirror, Port St. Lucie Mirror. KENTUCKY: Grant County News (Williamstown), *Kentucky Standard* (Bardstown), *Mt. Washington Star, Pioneer News*. OHIO: *Canton Free Press*. Plus two shoppers

Magazines

Horseman, Jet Cargo News, Texas Fisherman, Western Outfitter. Cordovan Corp. business publications.

Media-related operations

Berkley-Small Inc., Berkley-Small Manufacturing Company, George R. Hall Inc. (Hall Systems), McCaw Cellular Communications, Print Communications Group Inc. (American Field Marketing, Central Ohio Advertisers, Paper Mint, Pro Distributing Company, Saneck International Inc.), Scripps Howard Supply Company, SCW Services (Charles Martin & Associates), Southern News Rack Co., United Media (United Feature Syndicate, Newspaper Enterprise Association, United Media Licensing, United Media Productions, TV Data Inc., TV Update, TV Extra, TV Decisions, Electronic Media Services, World Almanac Publications, World Almanac Education), Viewtron.

Seattle Times Co.

RANK 72

Seattle

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	150	135	11.1
Total sales	150	135	11.1
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	150	135	11.1
Magazine	0	0	0
Broadcast	0	0	0
Cable	0	0	0

The Seattle Times Co., Seattle, is the nation's 72nd largest media company, with an estimated 11% increase in revenues in 1984 to $150 million, all from newspaper properties.

The Seattle-based Blethen family continues to own 50.5% of the company's voting stock; the balance is owned by Knight-Ridder Newspapers, which also owns 65% of an issue of nonvoting stock.

Frank A. Blethen, who at 39 became publisher in March, 1985, following the death of W.J. (Jerry) Pennington in a boating accident, says there are no plans for any change in the control of the company.

The evening *Times'* six-month average circulation as of March 31, 1985, according to ABC, was 227,844 up from 226,038 for the period a year earlier.

The morning *Seattle Post-Intelligencer*, a Hearst Corp.-owned paper that the *Times* circulates under a joint operating agreement, has increased its circulation from 192,494 to 196,996 for the six-month period ended March 31, 1985, according to the ABC. The combined Sunday edition had a circulation of 477,307, up from 473,155 for the 1984 period, according to ABC.

The *Times* leads in most zones in the primary market area, and the combined penetration of the *Times* and *P-I* is among the highest for any major metropolitan area, Mr. Blethen says.

Ad volume, which weakened somewhat in 1983 because of a slow economy in the Pacific Northwest and the impact of joint operations with the *Post-Intelligencer*, has begun to increase. *Times* ad volume rose 5.1% in 1984, the *P-I*, 19.3%, and the Sunday paper 5.7%, for an over-all increase of 11.2%.

First-quarter linage in 1985 increased 9.5% at the daily *Times*, 18.2% at the *P-I* and 14% for the Sunday paper, a combined product for which the *P-I* has four news pages.

Mr. Blethen says the joint operating agreement, two years old in May, 1985, is going well. "The circulation and linage numbers speak for themselves," he says. "More important, both papers have put more into improving the product." The *P-I*, for example, assigned a reporter exclusively to covering developments on the countries that line the Pacific ocean, and the *Times* has followed suit. "It's obvious that rather than banking the savings [from the joint operating agreement] the *P-I* has allocated larger resources to its daily newspaper," Mr. Blethen says.

The *Times* increasingly is emphasizing service to advertisers. Last August it increased the frequency of its total market coverage product (*A Slice of the Times*) from monthly to weekly and the paper (with a circulation of about 290,000) is now anchored by Pay'n Save Corp., one of the region's largest retailers. On Jan. 1, the *Times* boosted from weekly to daily the frequency of its zoned edition for Bellevue, where the *Times* faces strong competition.

The company also has begun to revitalize its locally edited Sunday magazine, *Pacific*, which lost most national advertising to *Parade* (included in the Sunday package) when the joint operating agreement began. First-quarter linage at *Pacific* rose 125% from a small base, reports the paper. The magazine has attracted several new local retailers, including Nordstrom. "We've made a commitment to a quality Sunday magazine," Mr. Blethen says.

As for diversification, "We are always interested in other newspapers," Mr. Blethen says, "but we don't put a lot of energy into it," primarily for lack of available properties. The company does not plan to diversify out of newspaper-type operations into broadcasting. "That would dilute our management focus."

The company recently began offering Data Times, a research service that puts the years of newspaper coverage on-line for electronic retrieval. And the company is keeping a close eye on Knight-Ridder's experiment with videotex.

H. Mason Sizemore Jr., Times president, says: "We want to keep an eye on the leading edge—how to get a product to readers and to service advertisers. There is nothing definite yet, but we won't get caught surprised."

MEDIA PROPERTIES

Newspapers (dailies)

WASHINGTON: *Seattle Times, Walla Walla Union-Bulletin.*

OTHER PROPERTIES

Data Times.

SFN Cos.

RANK 79

Glenview, Ill.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	140	21	564.5
Total sales	320	276	16.3
Net income	29	27	8.7
Sales per medium			
Newspaper	0	0	0
Magazine	65	21	209.0
Broadcast	75	0	N/A
Cable	0	0	0

Even as a new face in the media business, SFN Cos., Glenview, Ill., ranked as the 79th largest media company in the nation in 1984. But as quickly as SFN entered for the first time the 100 leaders' chart in 1984, it may exit in 1985.

Long known as a leading publisher of educational and professional materials, SFN in 1983 became a communications company as well. Although educational publishing continued to contribute 60% of SFN's net revenues, which in 1984 exceeded $320 million, media made a strong first showing, totaling $140.2 million for SFN's broadcast and print holdings.

SFN had been reporting on a fiscal year that ends April 30. However, because the company went private in January, full-year estimates are based on projections of the unreported fourth quarter. Starting next January, SFN will report on a calendar-year basis.

But just as quickly as SFN made its move into media it began divesting the properties at a good profit. Within a week's span in early June, 1985, the company announced it would sell its WFTV, the ABC-affiliate in Orlando, for $185 million to Cox Enterprises Inc., Atlanta—$60 million more than it had paid for the station in 1984. Then it announced it would sell *New York Law Journal* and its weekly companion publication, *National Law Journal* to Price Communications, New York, for $20.5 million, for a $4 million-plus profit.

SFN's foray into media commenced when John R. Purcell took office as chairman-president Nov. 1, 1982. By the end of June, 1983, the former CBS and Gannett Co. executive had completed SFN's first acquisition, the purchase for $16.5 million of ABC Industries, parent company of New York Law Publishing Co., the leading member of the legal publishing field that is now being sold.

SFN also agreed on June 30, 1983 to purchase Broadcast Advertisers Reports, a database publisher of advertising/media-related information. BAR, which cost SFN $24 million, marked the company's entry into database retrieval. The end of 1983 saw the acquisition of yet another media property, Biomedical Information Corp., a medical publisher, for $30 million.

If 1983 was SFN's year for print purchases, 1984 was its year of the broadcast acquisition. Starting in January, SFN sought to acquire Western Broadcasting Co., a private owner of three tv and three radio stations, as well as a Spanish-language program production company. The deal was finalized June 27, 1984, for $116 million.

Next came the purchase on July 15, 1984, of ABC affiliate WFTV, the No. 1 station in the growing Orlando market, for $125 million. That station, which is being sold by SFN, is No. 1 in news and other local programing and most daypart programs in Orlando, but its revenue stream has been affected by ABC Network's poor ratings performance beginning last fall.

During the height of the company's media acquisition spree, the investment community got involved.On Aug. 23, 1984, an investment group led by E.M. Warburg, Pincus & Co. and Drexel Burnham Lambert offered $425 million for SFN. E.M. Warburg, *et al.*, already owned 9.4% of SFN's common stock. The recent broadcast purchases alone required funding of about $270 million, and the proposed leveraged buyout would provide SFN with the necessary loan collateral.

Indeed, once the dust had settled and the SFN board had voted, company stock rose by $3 a share on the New York Stock Exchange the next day. The only dissenting votes were those of the founding Scott and Foresman family descendants.

But before the stockholders' meeting could finalize the buyout, another player, greeting card marketer Hallmark Cards, Kansas City, Mo., laid its cards on SFN's table and ended up with a 30% share of the company through a $50 million investment. The final buyout is valued at $470 million, of which 40% of SFN is owned by Warburg, Pincus & Co. and its affiliates, 15% by Drexel Burnham Lambert, 30% by Hallmark Cards and 15% by SFN's senior management.

The 30% Hallmark stake underscores that company's plans to diversify into specialty publishing, broadcasting and other areas, such as its recent purchase of the Binney & Smith crayon company. Whether Hallmark decides to increase or sell its share of SFN remains to be seen, as well as the long-term plans of the company's other investors.

SFN still is pursuing other media properties. Pending are a broadcast acquisition in the $60 million-to-$70 million range, as well as two smaller broadcasting transactions, and the potential purchase of a database publisher, according to Mr. Purcell.

SFN's primary interests are in tv and professional database publishing, according to Mr. Purcell. He says there are no plans to expand on the radio front, and magazine buys are basically complete, "unless something very attractive comes along."

In the broadcasting area, Mr. Purcell sees SFN's greatest opportunity for growth in the Hispanic market. Through its ownership of the top-ranking tv station in San Juan, WAPA-TV, and Televicentro Films Inc., Puerto Rico's biggest program production and sound recording company, and because the Hispanic population is a growing segment in the U.S. and abroad, "I would say our greatest expansion opportunity is in the Hispanic programing area for distribution worldwide," Mr. Purcell says.

A new division, SFN Communications, has been formed to look after the company's broadcast holdings under the leadership of former CBS Broadcast International executive Sherman C. Wildman and WFTV-TV alumnus Walter M. Windsor, who became president and chairman, respectively.

Another media property earmarked for potential growth is BAR, SFN's Darby, Pa.-based database company that provides national and local advertising activity and expenditure information to advertisers, agencies, stations and networks, and its Radio TV Report division, which supplies the country's ad agencies and advertisers with photoboards. Mr. Purcell says he plans to expand SFN's database retrieval business beyond radio and tv monitoring. In an interview (AA, Feb. 13, '84) Mr. Purcell said, "We'd like to cover other media. For example, direct marketing. There isn't a whole lot of information [currently] as to who is spending what on what."

The properties acquired from Western Broadcasting form the largest portion of SFN's broadcast holdings. Included are three radio stations, all in Montana; two vhf Georgia tv stations, which are the ABC affiliates in Columbus and Augusta; an independent vhf tv station in San Juan, and the program production company Televicentro Films.

MEDIA PROPERIES

Broadcasting

TV: WAPA: San Juan; WFTV, Orlando, Fla.; WJBF, Augusta, Ga.; WTVM, Columbus, Ga.

RADIO: KCAP (am, fm), Helena, Mont.: KGVO (am), Missoula, Mont.

Magazines

Drug Therapy, Hospital Therapy, The National Law Journal, New York Law Journal, Off Hours, PA Update, Physicians Financial News, RxBeing Well.

Other Media Properties

Biomedical Information Corp.; Broadcast Advertisers Reports; Data Acquisition Services; New York Law Publishing Co.; Televicentro Films.

OTHER OPERATIONS

Scott Foresman & Co., Silver Burdett, South-Western Publishing Co.

Storer Communications

RANK 24

Miami

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	537	459	17.0
Total sales	537	459	17.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	195	169	16.2
Broadcast	0	0	0
Cable	342	291	17.4

Storer Communications, Miami, is the 24th largest media company in the country, with revenues of $536.8 million in 1984, all generated by the company's cable tv and broadcast operations.

Revenues may have been up 17% from 1983, but the bottom line was a lost $16.7 million in 1984, compared with a loss of $39.6 million in 1983. Although Wall Street expects Storer to be back in the black this year, 1985 has been tumultuous for the company.

Just as a two-year restructuring plan designed to keep the company afloat appeared to be paying off, in March a group of dissident shareholders waged a campaign to elect a rival slate of directors to the company's board. If elected, the candidates vowed to liquidate the company for an estimated $2 billion, which they planned to distribute to company shareholders.

Hoping to thwart the pending proxy fight, Storer agreed in principle to a leverged buyout by a corporation to be formed by Kohlberg Kravis Roberts & Co., a New York investment banking company. *(See Kohlberg Kravis Roberts & Co. profile on Page 39.)*

The buyout plan called for each share of Storer common stock to be converted into $75 in cash, $25 face value of preference stock, and warrants to purchase common stock of the new company. Based on Storer's 16,446,785 shares outstanding, the transaction has an indicated minimum value of $1.64 billion.

As it turned out, the dissident group —New York-based Coniston Partners, which owns 5.3% of Storer—won four of the nine seats on Storer's board. The Coniston board members said they supported the proposed leveraged buyout agreement with KKR but they would seek higher bids. However, Storer executives needed to maintain only a majority control of its board of directors to complete the deal, and therefore it is expected to go through.

The definitive agreement calls for Storer to merge with KKR Holding Inc., a corporation recently formed by KKR. Storer's management would continue to run the organization.

An overzealous plunge into cable tv franchises strapped Storer with $1 billion in construction expenses over the past several years, forcing the company to become so heavily leveraged that "we were sweating out the vernacular bullets," says Peter Storer, company chairman and son of founder George Storer.

But to the amazement of many analysts, an equally zealous bailout plan had begun to turn the company around in just 24 months. Because of streamlining and improved sales in its cable tv division, Storer earned $6.4 million during the last quarter of 1984, it's first profitable quarter in almost two years. "The strides Storer has made forward are remarkable," says Peter Falco, an analyst with Merrill Lynch & Co., New York.

Such impressive improvement is what spurred Coniston Partners to push for liquidation. Keith R. Gollust, one of the group members, says, "Previously, it would have been difficult to realize a good return for Storer's assets. Their improvement, coupled with recent deregulation in cable and broadcasting, now makes these prime properties."

The company's turnaround plan consisted of selling 24 cable systems that served 165,900 subscribers, or 10% of its subscriber base. These sales enabled Storer to recoup $185 million.

The second corrective move was to focus on marketing and to squeeze more dollars out of the systems Storer kept. In 1984 Storer averaged cash-flow margins of 36.5% (of revenues) on its cable systems, up from 29% in 1983.

Despite the sales, Storer remains the country's fifth largest cable operator. The company is also a major player in the broadcast tv business, with seven stations. However, many analysts criticize Storer for having never made the most of these properties. "They don't have tremendous depth of middle management. As a result, their broadcast stations have always been in the sluggish 30% [cash flow as a percentage of revenues] range," said Tony Hoffman, an analyst at Cralin & Co., New York.

MEDIA PROPERTIES

Broadcasting

TV: KCST, San Diego; WAGA, Atlanta; WSBK, Boston, WJBK, Detroit; WJKW, Cleveland; WTVG, Toledo, O., and WITI, Milwaukee.

Cable/video

Storer Cable Communications, serving ALABAMA: Montgomery, Prattville (includes Clanton and Sylacauga), Troy (includes Brundidge, Baldwin County, Fairhope, Geneva, Bay Minette, Daphne, Slocumb, Samson, Elba, Florala). ARIZONA: Glendale (80% interest), Peoria/Buckeye (80% interest). ARKANSAS: Little Rock (80% interest, includes Cammack Village). CALIFORNIA: Anaheim/Villa Park, Fairfield (includes Solano County, Suisan), Hermosa Beach, Laguna Beach (includes Orange County, San Clemente, San Juan Capistrano), Norcal (includes Sonoma, Napa Valley, Rohnert Park, St. Helena, Monterio), Ojai, Ventura. CONNECTICUT: Clinton (includes Old Saybrook, Durham, Haddam, Killingworth, Chester, Deep River, Essex, Westbrook), Groton (includes Ledyard, North Stonington, Stonington, Voluntown), New Haven (includes West Haven, Hamden). DELAWARE: Dover (includes Camden, Dover Air

Force Base, Smyrna, Wyoming, Kent County), Rehobeth (includes Lewes, Rehobeth Beach). FLORIDA: Altamonte Springs (80% interest, includes Seminole County, Lake Mary), Dade/Broward (includes Biscayne Park, El Portal, Miami Shores, Miramar, North Miami, North Miami Beach, Pembroke Park, Pembroke Pines), Hollywood (75% interest), Lehigh Acres, Polk/Levy, Port Charlotte (includes Arcadia, North Port, Charlotte County, Punta Gorda), South Dade, Venice. GEORGIA: Albany, Adel, Americus, Ashburn, Bainbridge, Camilla, Cordele, Cook County, Dawson, Dougherty County, Donalsonville Moultrie, Nashville, Pelham, Sparks, Sylvester, Tifton, Tift County, Vienna. KENTUCKY: Bowling Green, Campbell County, Covington, Jefferson County (80.5% interest, excluding Louisville), Newport. MARYLAND: Howard/Elliott (80.5% interest), Salisbury/Pocomoke. MINNESOTA: Bloomington, Fridley, St. Louis Park. MISSOURI: Florissant (80% interest). NEW JERSEY: Burlington, Cinnaminson (80.3% interest, includes Delanco, Palmyra, Riverside, Riverton), East Windsor/Brunswick, Gloucester (93.3% interest, includes Woodbury, Clayton, Deptford Township, East Greenwich, Glassboro, Greenwich, Mantua National Park, Paulsboro, Wenonah, Westville, West Deptford Township, Woodbury Heights), Hackettstown (includes Lambertville, Washington Township and New Hope, Pa.), Plainfield, Plainsboro. OREGON: Washington County (includes Banks, Beaverton, Cornelius, Durham, Forest Grove, Hillsboro, King City, Lake Oswego, Sherwood, Tigard, Tualatin). SOUTH CAROLINA: Charleston (90.4% interest, includes Berkley County, Charleston Air Force Base, Charleston County, Colleton County, Goose Creek, Hanahan, Isle of Palms, Mount Pleasant, Naval Weapons Station, North Charleston, Sullivan's Island, Summerville Marine Corps Air Station, Walterboro. TEXAS: Bay Area, Dallas/Fort Worth-North, Dallas/Fort Worth-South, New Harris County. VIRGINIA: Chesterfield City.

Taft Broadcasting Co.

RANK 66

Cincinnati

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	172	141	21.8
Total sales	454	381	19.1
Net income	39	38	2.9
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	172	141	21.8
Cable	0	0	0

Taft Broadcasting Co., the first company to reach the FCC's new limit of 12 tv station properties, was the nation's 66th largest media company in 1984 with media revenues of $171.5 million, up 21.8% from 1983.

Cincinnati-based Taft agreed in February, 1985, to purchase the five tv stations and seven radio properties of Gulf Broadcast Co., Dallas, for $760 million. The company then turned around and struck a deal with CBS to buy five radio stations—three of the Gulf stations and two Taft-owned stations. FCC approval was granted on the first in June and is pending on the second.

Taft, whose media properties represented 37.8% of total revenues of $453.8 million in 1984, now owns 10 vhf and two uhf stations, pumping its coverage of the U.S. market from 9% to 15%.

Electronic Media recently reported Taft estimated 1985 revenues for the Gulf tv station acquisitions: CBS affiliate KTSP-TV in Phoenix, $17 million; ABC affiliate WTSP-TV, Tampa, $16 million; KTXH-TV, a Houston independent, $8.6 million; KTXA-TV, a Dallas-Fort Worth independent, $7.5 million, and ABC affiliate WGHP-TV, Greensboro-Winston Salem-High Point, N.C., $4 million. The Gulf radio stations are projected to earn annual revenues of $11 million to $12 million.

Gulf stations purchased were WKLS (am, fm), Atlanta; KTXQ (fm), Dallas-Fort Worth; KLTR (fm), Houston; WNDE (am) and WFBQ (fm), Indianapolis, and WLTT (fm), Bethesda, Md. But in February, to comply with FCC regulations prohibiting one company from owning both tv and radio properties in the same market, Taft retained First Boston Corp. to sell five radio properties (three from the upcoming Gulf acquisition and two currently Taft-owned stations).

CBS in May, agreed to buy the five stations—KTXQ (fm), Dallas-Fort Worth; KLTR (fm), Houston; WSUN (am) and WYNF (fm), Tampa-St. Petersburg, Fla., and WLTT (fm), Bethesda. The sale will bring Taft $85 million.

Taft Broadcasting Co. is both a communications and entertainment company. It primarily is involved in commercial tv and radio broadcasting, production of animated and live-action programing for tv and distribution of programing for tv, cable and home video.

The company has smaller interests in themed amusement parks in Canada and leisure-time properties. Together with Tele-Communications Inc., Taft owns 16 cable tv systems.

The 1984 sale of its three domestic theme parks for $167.5 million to Kings Entertainment Co. (a group of investors that includes executives from Taft's Attractions Group) will help finance Taft's recent acquisitions. The company's fast-action buying and selling has caused much speculation among industry analysts.

After a quick rise from the amusement parks sale, Taft's stock still was estimated by Paul Kagan & Associates, Carmel, Cal., to be undervalued. Shares were selling at about $68, whereas Kagan, which publishes "Broadcast Investors" newsletter, estimated Taft's "previous market value" at about $89 a share. That started rumors that the company was a desirable acquisition target until the $760 million Gulf property price tag. Now speculators say Taft is too indebted to be a serious takeover candidate.

"Nobody was or is trying to buy us out—no offers, at least. And we have no plans to go private," a Taft spokesman says, adding the "company strategy is to grow as a leading group broadcaster, and that's why we acquired the Gulf stations. This is our core business. We are expanding in the area we know best."

Beyond traditional broadcast techniques, Taft's teletex newspaper is being transmitted over WTBS-TV, the Turner Broadcasting station in Atlanta. Taft's ad-supported World System Telecast will be the only national world-based teletext operation in the U.S.

In the entertainment field, Taft is producing original tv programs with other broadcast groups. The most recently formed is the New Program Group, which puts Taft in partnership with Gannett Co., Washington; Hearst Corp., New York; Metromedia, New York, and Storer Communications, Miami. The stations have banded together to produce situation comedies, tv series, movies that will be broadcast over stations owned in the group (making up 45% of the market) and other programing.

As the leading supplier of animated programing to network tv on Saturday mornings, subsidiary Taft Entertainment Group attracted Fred Silverman to move his InterMedia Entertainment last summer from MGM-Television/-UA to the Taft subsidiary's Los Angeles offices.

Taft Entertainment and Mr. Silverman's company were to create and develop animated projects along with other family-type programs.

Other established talent the Entertainment Group has garnered recently is Ed Weinberger, formerly associated with "The Mary Tyler Moore Show" and "Taxi." He also co-created and co-wrote the pilot for the current NBC hit "The Cosby Show." Mr. Weinberger has an exclusive deal to create, write and produce tv programing and feature films for Taft Entertainment.

The subsidiary also hired Richard Klinger, most recently programing vp at RCA Video, who was executive producer of the four "Jane Fonda's Workout" tapes and discs. Mr. Klinger will develop, package and produce home videos as well as pay tv and music videos.

MEDIA PROPERTIES

Broadcasting

TV: WBRC, Birmingham, Ala.; WCIX, Miami; WDAF, Kansas City; WDVE, Pittsburgh; WKRC, Cincinnati; WTVN, Columbus; WTAF, Philadelphia; WDCA, Washington; KTSP, Phoenix; WTSP, Tampa, KTXH, Houston; KTXA, Dallas/Fort Worth; WGHP, Greensboro/Winston-Salem/High Point.

RADIO: KEX (am) and KKRZ (fm), Portland; WDAE* (am) and WYNF* (fm), Tampa/St. Petersburg; WDAF (am) and KYYS (fm), Kansas City; WGR (am) and WGRQ (fm), Buffalo; WKRC (am)and WKRQ (fm), Cincinnati; WTVN (am) and WLVQ (fm), Columbus; WDVE (fm), Pittsburgh; WKLS (am, fm), Atlanta; KTXQ* (fm), Dallas/Fort Worth; KLTR* (fm), Houston; WNDE (am) and WFBQ (fm), Indianapolis; WLTT *(fm), Bethesda, Md.

* Taft's sale of these stations to CBS is pending.

Cable/video

Through TCI-Taft Cablevision Associates, Taft owns 50% interest in the following systems; CONNECTICUT: Lakeville. MASSACHUSETTS: Cape Cod, Nantucket. MICHIGAN: Alpena, Battle Creek, Brighten, Charlevoix, Cheboygan, Muckegon, Niles, Ontonogan, Petoskey, Saginaw, St. Joseph, Ypsilanti. NEW HAMPSHIRE: Lebanon.

OTHER PROPERTIES

American Microwave, Black Entertainment Television, Canada's Wonderland Ltd. (75% owned), Toronto, College Football Hall of Fame (managed by Taft), Coney Island, Jack Nicklaus Sports Center (a partnership), Kings Island Inn (a partnership), Kings Island Real Estate Co., Midwest Mobilephone Corp. (22.5%), Philadelphia Phillies baseball team (47.5%), Taft Entertainment Co. Cine Guarantors, Hanna-Barbera Productions, Ruby-Spears Enterprises, Sunn Classic Pictures, Sy Fischer Co., Taft Entertainment Television Co., Taft Merchandising Group, TECO Pty. (Australia), Titus Productions, Worldvision Enterprises, Videostar Connections (21.5% interest).

Tele-Communications Inc.

RANK 26

Denver

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	449	347	29.4
Total sales	449	368	22.0
Net income	17	21	-15.3
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	0	0	0
Cable	449	347	29.4

Tele-Communications Inc., the nation's 26th largest media company with all-media revenues increasing 29.4% in 1984 to $449.4 million, attributes its gains to aggressive acquisition, expansion and improved service in its cable systems.

Denver-based TCI, the nation's largest cable tv multiple system operator, reported 1984 operating income of $107.7 million, a 27.4% increase over 1983, and earnings from continuing operations of $17 million, down 15.3%.

At yearend, TCI owned or managed cable systems serving 3.6 million basic subscribers and 2.6 million premium subscribers, increases of 29.4% and 34.2%, respectively, over the previous year.

TCI's appetite for acquisition shows no signs of abating. In the spring of 1985, TCI made a formal bid for Warner cable properties. Although interest was expressed in cable properties of New York-based Capital Cities and Storer Systems of Miami, TCI made them no formal bids.

TCI in June made an offer with Time Inc. (owner of American Television & Communications Inc., the nation's second largest cable operator after TCI) to buy Warner Amex for $750 million in equity and assumption of $500 million of Warner Amex debt. Warner Amex's own management, MTV Networks and Viacom International also are suitors.

Before 1984, TCI largely steered clear of major metropolitan markets, believing that the best opportunities had passed and that the cities were apt to impose costly franchise requirements. But 1984 saw that change with a vengeance, as TCI bought the Pittsburgh system from Warner Amex, picked up 75% of the St. Louis franchise, extended its holdings in Chicago, and became 10% shareholder in the system that won Washington's franchise. Total expansion during 1984 eventually will involve more than 1 million cable subscriptions.

Company spokesmen and analysts attributed the change in strategy to the belief that the uncabled major cities, soured by years of negotiations, would be eager to offer a profitable deal to a company with the wherewithal to string cable. Marketplace friendliness was enhanced by the passage of the federal Cable Communications Act, which largely deregulated the cable industry. The $93.4 million Pittsburgh sale, for example, was concluded in November after only seven months of negotiations—short by most standards. The deal hinged on TCI's proposals to pare back franchise promises Warner Amex had made.

The company spent $419.7 million in stock and cash for cable systems it purchased during 1984. It also spent $184.1 million on systems purchased with various partners, including Taft Broadcasting, Knight-Ridder Newspapers and Scripps Howard Broadcasting—the latter two of which TCI teamed up with to bid on Storer Communications, Miami, eventually bought out by Kohlberg Kravis Roberts & Co. (See Storer profile in this issue).

Purchases included smaller systems such as the 58,000-subscriber Complete Channel, which serves 34 municipalities in the area of Madison, Wis., and the 18,000-subscriber Hamilton, N.J., system, purchased in partnership with Knight-Ridder in July from Hamilton Cablevisions.

TCI increased its stockholdings in Denver-based United Cable Corp. from 4.8% to 19.2% by exchanging three TCI systems in suburban Denver, six in the Tulsa area and one near Papillion, Neb., for United stock. TCI also sold its Huntsville, Tex., system, consisting of 2,200 subscribers, to Texas Telecable. In all, TCI sold or exchanged cable systems for about $125 million, resulting in a net gain of $24.5 million.

In January, TCI spun off Republic Pictures Corp. Republic had been purchased in 1970 to provide the system with pay tv films. The divestiture of Republic leaves TCI holding only cable properties.

It has not been a year of unallayed success. The company was part of a consortium that owned Sports Time, the ill-fated pay cable network that operated for less than a year before being shut down in March, 1985.

And there have been legal setbacks. Central Telcommunications Inc. of Jefferson City, Mo., sued TCI for unfair business practices involving the renewal of TCI's cable contract with Jefferson City, Mo. A jury fined TCI $57 million on Feb. 22, 1985. TCI is appealing the verdict.

In September, 1984, TCI started a market and operational test in its Boulder, Colo., franchise of Data Cable's X*PRESS information service. Data Cable, a joint venture of TCI and Telecrafter Corp., feeds news, financial, sports and weather information into personal computers through the tv cable without the use of a modem. If the test is successful, TCI intends to roll out the X*PRESS service to many of its other systems in 1985.

TCI is taking a back seat in developing a system to insert local advertising into cable programing. Only 12 of its about 700 systems currently sell advertising. TCI senior vp John Sie recently said he doubts ad revenues ever will amount to more than 15% of the cable industry's gross revenues.

The company, however, seems convinced of the value of advertising its own merits. A national print campaign during 1984 with the theme "Cable is choice TV" involved 350 TCI systems in 38 states.

MEDIA PROPERTIES

Cable/video

ALABAMA: Arab, Birmingham, Boaz, Centre, Hartselle, Homewood (80% interest), Jacksonville, Piedmont. ALASKA: Benton (50% interest). CALIFORNIA: Berkeley, Brisbane (84% interest), Carson, Daly City (84% interest), Fremont (90% interest), Grass Valley, Inglewood, Lake Wildwood (80% interest), Millbrae, Oceanside, Pacifica, Penn Valley, Pomona, Richmond, Rio Vista, San Carlos, San Mateo (86% interest), South Lake Tahoe, Sunnyvale. FLORIDA: Daytona Beach (99% interest), Key West, Opa Locka, Titusville. GEORGIA: Athens, Carrollton (87% interest), Columbus, Eastman, Fitzgerald, Hazlehurst, McRae, Sanderville, Tocca, Vidalia. IDAHO: Ammon, Burley, Idaho Falls (25% interest), Iona, Preston. ILLINOIS: Alorton (86% interest), Alton, Cahokia (86% interest), Canton (80% interest), Carbondale, Centreville (86% interest), Chanute Air Force Base, Chicago (Chicago Cable Communications), Coal City, Dixon, East St. Louis (86% interest), Manteno, Marion, Mattoon (50% interest), McHenry, Mokena, Morris, North Utica, Peotone, Piper City, Rantoul, Shorewood. INDIANA: Attica, Bloomfield, Bloomington, Bonnville, Carmel, Delphi, Elwood, Fowler, Franklin, Greencastle, Greenfield, Greensburg, Hartford City, Jasper, Lebanon, Linton, Martinsville, Monticello, Mount Vernon, New Castle (80% interest), Princeton, Richmond, Salem and Sullivan. KANSAS: Andover, Augusta, Bonner Springs, Caney, Coffeyville, Derby, Dodge City, El Dorado, Fredonia, Garden City, Garnett, Goddard, Hesston, Iola, Kansas City, Leavenworth, Newton, Ottawa, Park City, Peabody, Rose Hill, Topeka. KENTUCKY: Ashland, Dawson Springs, Fulton, Henderson, Pineville, Princeton, Providence and Winchester. MARYLAND: Cumberland, Elkton. MASSACHUSETTS: Waltham. MICHIGAN: Baraga Village, East Jordan, Niles. MINNESOTA: Albany, Albert Lea (80% interest), Alexandria, Austin (80% interest), Blue Earth, Browerville, Browns Valley, Clarissa, Crookston, Faribault, Glenwood, Long Prairie, Melrose, Moorhead, Ortonville, Osakis, Park Rapids, Sauk Centre, Staples, Wadena. MISSISSIPPI: Brandon (80% interest). MISSOURI: Cape Girardeau, Centralia, Clinton, Grandview, Hannibal, Hazelwood, Huntsville, Jackson, Jefferson City, Knob Noster, Mexico, Moberly, Monroe City, Mountain Grove, Republic, Vandalia. MONTANA: Anaconda, Billings, Bozeman, Butte, Deer Lodge, Dillon, Glendive (50% interest), Havre, Helena, Lewistown, Livingston, Miles City. NEBRASKA: Alliance, Broken Bow, Grand Island, Hastings, Kearney, Kimball, LaVista, Lexington, McCook, North Platte, Ogallala, O'Neill, Scottsbluff, Sidney. NEVADA: Battle Mountain, Carson City, Elko, Hawthorne. NEW JERSEY: Beach Haven, Bound Brook, Elizabeth, Gloucester City (50% interest), Parlin, Sayreville. NEW MEXICO: Artesia, Carlsbad, Cimmarron, Eunice, Hobbs, Jal, Raton, Red River, Springer. NEW YORK: Adams Center, Boonville, Buffalo, Kingston, Lowville, Orangetown, Poughkeepsie, Schenectady (87% interest), Spring Valley. NORTH CAROLINA: Elkin (50% interest), Marion, Morgantown, Mount Airy (50% interest). NORTH DAKOTA: Grand Forks, Minot. OHIO: Ashtabula, Barnesville, Bethesda, Bridgeport, Brunswick, Cadiz, Chester/Newell, Columbiana, East Liverpool, Greenville, Golf Manor, Hamilton, Hanover Township, Holloway, Irondale, Marion, Martins Ferry, Middleton, Minerva, Mingo Junction, Niles, Port Clinton, Ravenna, Shadyside, Steubenville, Warren, Wheeling Township. OKLAHOMA: Cowetta, Duncan, Enid, Marlow, Muskogee, Owasso. PENNSYLVANIA: Ambridge, Apollo, Aston, Bedford, Carnegia, Carrolltown, Castle Shannon, Clarion, Columbia, Dormont, Erie, Etna, Kane, Lebanon (20% interest), McKeesport, McKees Rocks, Mechanicsburg, Monessen, Montgomery, Penn Hills Township, Perkasia (20% interest), Philipsburgh, Phoenixville (16% interest),

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Pittsburgh, Pittsburgh (PTCI), Pottstown (20% interest), Red Lion, Ridgeway, State College, Towanda, Verona, Waynesburgh, West View. SOUTH CAROLINA: Bennettsville, Richland County. SOUTH DAKOTA: Mitchell (50% interest), Rapid City, Sioux Falls (50% interest), Sisseton. TENNESSEE: Bolivar, Brownsville, Covington, Knox County, Knoxville, Manchester, Memphis (44%), Shelbyville, Soddy-Daisy. TEXAS: Albany, Beaumont, Bishop, Breckenridge, Burknett, Clifton, Clute, Corpus Christi, De Leon, Eastland, Gorman, Huntsville, Iowa Park, Lake Jackson, Liberty, Mart, Mathis, Mineral Wells, Odem, Olney, Orange, Port Arthur, Range, Refugio (99% interest), Seymour, Vernon, Woodsboro (99% interest). UTAH: Centerville, Clearfield, Clinton, Davis County, Draper, East Carbon, Farmington, Grantsville, Kaysville, Layton, Morgan, Nephi, Ogden, Park City, Price, Provo, Richfield, Salt Lake City, Smithfield, Synderville, Sunset, Tooele, Utah County, Wendover, West Ogden, West Valley, Woods Cross. VERMONT: St. Albans. VIRGINIA: Chesapeake, Culpepper, Orange. WASHINGTON: Airway Heights, Anacortes, Bellingham, Bremerton, Burlington, Deer Park, Marysville, Olympia, Poulsbo, Raymond, Spokane, Wilbur. WEST VIRGINIA: Cameron, Chester, Gassaway, Logan, Moundsville, New Cumberland, Parkersburg, Summersville, Wellsburgh, Weston, Wheeling. WISCONSIN: Madison (33% interest), Richland Center. WYOMING: Cheyenne, Cody, Lander, Laramie, Powell, Rawlins, Riverton, Thermopolis, Worland.

Other media operations

Tele-Communications Inc. owns a 50% interest in Taft-TCI, which in turn holds interest in Black Entertainment TV. Also, it operates National Telefilm Associates (74% interest).

RANK
95
TeleCable
Richmond, Va.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	100	79	26.6
Total sales	100	79	26.6
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	0	0	0
Cable	100	79	26.6

Privately held TeleCable, Norfolk, Va., the nation's 95th largest media company, increased revenues 26.6% in 1984 to $100 million, all from cable. The multiple system operator was a subsidiary of newspaper giant Landmark Communications until January, 1984, when TeleCable was spun off.

As of March, 1985, TeleCable had 453,000 basic and 474,000 premium subscribers in its 22 systems, located in the Southeast, Midwest and Texas.

Alfred F. Ritter, TeleCable vp-finance, says Landmark spun off the multiple system operator to allow more flexibility in finding capital for construction, system upgrading, and acquisition. Landmark has an "extremely conservative" attitude toward debt, Mr. Ritter says.

According to vice president James S. Key, "TeleCable has grown primarily through building new systems or expanding systems acquired in their early stages of development."

Nevertheless, 1984 was a quiet year, with no major acquisitions. TeleCable did expand its Lexington, Ky., system with the addition of Jasmine County. It also completed construction on its systems in Plano and adjacent Richardson, Tex. Mr. Ritter attributed the company's growth during 1984 to expansion in existing markets and, to a lesser extent, to rate increases. He also says the company is in the market for good purchases.

TeleCable executives constantly refer to the company's orientation toward providing good customer service. Mr. Ritter is careful to note, however, that there's a difference between satisfying the customer and making excessive franchise promises. "We try to find out what the customer really wants, and no one wants 108 channels," he says.

At the end of 1984, TeleCable hired a companywide manager to coordinate its entry into local advertising. By the beginning of the year, TeleCable was selling local advertising at five of its larger franchises. Each system hired local sales forces for the venture. Revenues are exceeding expectations, according to a company spokesman, who says the company is optimistic about the potential of ad sales, and that if the experiment continues to go well, it probably will be expanded.

Arthur Polizos Associates in Norfolk handles TeleCable's consumer advertising. Campaigns during 1984 used the themes "Good as Gold" and "We Guarantee It," a promotion that promised customer satisfaction or a refund.

MEDIA PROPERTIES
Cable

ALABAMA: Auburn, Decatur, Selma. FLORIDA: Broward County. GEORGIA: Columbus. ILLINOIS: Bloomington-Normal. INDIANA: Kokomo. KANSAS: Overland Park. KENTUCKY: Lexington, Radcliff. MISSOURI: Springfield. NORTH CAROLINA: Roanoke Rapids. SOUTH CAROLINA: Greenville, Spartanburg. TENNESSEE: Cleveland. TEXAS: Arlington, Plano, Richardson. VIRGINIA: Wytheville. WEST VIRGINIA: Beckley, Princeton. WISCONSIN: Racine.

Media companies by estimated broadcast revenues ($000)
with number of stations

Company	Broadcast revenues 1984	Broadcast revenues 1983	1984 media revenues	B-cast revs. % of '84 media revs.	Number of stations am	Number of stations fm	Number of stations vhf	Number of stations uhf
American Broadcasting Cos.	$3,300,000	$2,614,300	$3,650,000	90.4	3	7	5	0
CBS Inc.	2,720,900	2,389,400	3,340,100	81.5	6	12	5	0
RCA Corp.	2,370,900	2,090,300	2,370,900	100.0	3	6	5	0
Metromedia Inc.	417,000	371,600	430,000	97.0	5	7	0	0
Tribune Co.	282,200	228,700	1,596,700	17.7	3	2	4	2
Cox Communications	279,100	200,200	684,140	40.8	5	7	6	3
Capital Cities Communications	271,800	235,800	939,700	28.9	7	6	5	2
Gannett Co.	232,800	192,900	1,960,200	11.9	8	8	5	1
Hearst Corp.	204,000	163,300	1,400,000	14.6	4	3	6	0
Kohlberg Kravis Roberts & Co.	200,000	209,000	302,000	66.2	0	0	2	2
RKO General	200,000	175,700	200,000	100.0	6	6	3	0
Westinghouse Electric Corp.	196,400	175,300	944,900	20.8	7	5	5	0
Storer Communications	195,000	167,800	536,800	36.3	0	0	5	2
Turner Broadcasting Co.	177,400	136,200	265,800	66.7	0	0	0	1
Taft Broadcasting Co.	171,500	140,800	171,500	100.0	7	5	9	4
A.H. Belo Corp.	158,300	78,800	353,600	44.8	2	2	5	0
Chris-Craft Industries	146,700	122,000	146,700	100.0	0	0	5	1
Oklahoma Publishing Co.	140,800	125,700	389,200	36.2	2	1	4	3
Washington Post Co.	136,000	120,000	984,300	13.8	0	0	4	0
Multimedia Inc.	135,300	125,800	304,400	44.4	3	4	4	1
H&C Communications	131,600	90,000	131,600	100.0	1	1	5	0
LIN Broadcasting Corp.	128,800	91,000	142,800	90.2	5	5	5	2
Times Mirror Co.	124,700	116,100	1,988,300	6.3	0	0	5	2
Bonneville Corp.	119,100	107,000	119,100	100.0	5	7	2	0
Scripps Howard	118,000	94,402	829,000	14.2	3	4	5	2
Outlet Communications	104,500	95,000	104,500	100.0	1	4	5	2
Meredith Corp.	103,800	88,500	327,200	31.7	0	0	5	2
John Blair & Co.	89,000	39,900	585,100	15.2	4	4	3	2
Pulitzer Publishing Co.	86,000	96,800	256,000	33.6	1	1	5	2
Viacom International	83,600	119,800	267,300	31.3	3	5	3	1
McGraw-Hill	81,900	71,600	963,700	8.5	0	0	3	1
Evening News Assn.	81,400	72,700	279,100	29.2	1	1	4	1
SFN Cos.	75,000	0	140,200	53.5	2	1	4	0
Allbritton Communications Corp.	71,000	63,400	112,000	63.4	0	0	5	0
Knight-Ridder Newspapers	62,700	46,100	1,664,700	3.8	0	0	5	0
A.S. Abell Co.	56,000	50,000	195,000	28.7	0	0	0	1
Harte-Hanks Communications	50,800	84,400	500,000	10.2	0	0	3	1
Lee Enterprises	48,500	45,500	182,700	26.5	2	2	4	0
Park Communications	47,000	42,300	98,000	48.0	7	7	3	2
New York Times Co.	38,000	35,100	1,229,600	3.1	1	1	2	1
Media General	35,000	51,200	305,000	11.5	0	0	2	1
Landmark Communications	33,400	21,700	225,000	14.8	1	1	2	0
Dispatch Printing Co.	33,000	31,000	152,000	21.7	0	0	2	0
Chronicle Publishing Co.	30,000	N/A	231,000	13.0	0	0	4	0
Freedom Newspapers	30,000	14,300	272,100	11.0	0	0	3	1
Donrey Media Group	28,000	25,400	198,000	14.1	4	2	1	0
Providence Journal Co.	28,000	13,200	172,000	16.3	0	0	1	2
Journal Co.	26,000	23,300	197,300	13.2	1	1	2	1
Macromedia Inc.	22,300	20,800	108,500	20.6	0	0	3	1
Courier-Journal & Louisville Times	18,000	15,000	116,000	15.5	1	1	1	0
Affiliated Publications	16,300	14,500	343,800	4.7	5	6	0	0
Harcourt Brace Jovanovich	16,300	15,900	119,400	13.7	0	0	2	0
Howard Publications	16,000	14,000	166,000	9.6	0	0	1	0
Ackerley Communications	13,400	19,800	90,100	14.9	2	1	3	1
McClatchy Newspapers	12,000	10,000	255,000	4.7	2	2	0	0
Blade Communications	10,000	9,000	157,600	6.3	0	0	1	3

Source: Advertising Age estimates

RANK
99
13-30/-Esquire
New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	95	67	42.0
Total sales	95	67	42.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	95	67	42.0
Broadcast	0	0	0
Cable	0	0	0

The privately held 13-30/Esquire, Knoxville, Tenn., which expects its media revenues to more than double in the next five years, ranked 99th among the nation's leading media companies with revenues of $95 million in fiscal 1985.

Revenues for 13-30/Esquire, all of which are in media, increased 42% over the previous year and contributed to the high sense of expectancy at 13-30/Esquire where a $25 million expansion plan has been mapped out and a $10 million venture capital fund established for new product research and development.

The company is the umbrella for 13-30 Corp., a publisher of specialty magazines, and for *Esquire* magazine.

Annual growth has averaged 40% during the past several years, according to Christopher Whittle, 13-30/Esquire chairman, who anticipates the company could achieve yearly revenues of $350 million by 1989.

Esquire turned its first profit in more than a decade in June, 1984, a good part of that contributed by increased ad revenues. The magazine's gross ad revenues were $29.9 million for 1984, a 22.7% increase over the previous year, according to Publishers Information Bureau. Bringing *Esquire* into the black has been a five-year task for Mr. Whittle and his partner, Phillip Moffitt (*Esquire* editor and 13-30/Esquire president), who bought the trouble-ridden *Esquire* in 1979 when it had revenues of just $9 million and was said to be losing $5,000 a day.

When the publishing duo repositioned the magazine to appeal to up-and-coming men between the ages of 25 and 44, critics complained that *Esquire* had lost its editorial class of earlier years when the magazine showcased such legendary writers as Ernest Hemingway and Tom Wolfe.

But during Messrs. Whittle and Moffitt's *Esquire* ownership, ad page growth has been strong. With an initial ad page drop from 926 in 1978 to 400 in 1979, the total grew from 1,259 in 1983 to 1,357 in 1984, up 7.8%. The circulation had grown from 614,300 in 1979 to 739,104 June 30, 1984, according to SRDS (with subscriptions responsible for 609,933 copies and single sales totaling 129,171). That's up 1.2% from 1983, but the magazine has yet to match its record of 1.2 million copies sold in the mid-'70s.

During 1983 and 1984, *Esquire* featured a number of special issues designed to drum up public interest. The first so-called *Esquire* print event appeared in June, 1983. Called "How we lived," it featured reprints from *Esquire's* first 50 years. It was followed by "Fifty who made a difference" in December, 1983, which won the National Magazine Award for single topic issues. Then, in the December, 1984, issue, Esquire issued its "*Esquire* Register," which recognized the achievements of 300 "outstanding Americans under the age of 40."

Esquire magazine's sister operation, the 13-30 Corp., was founded by Messrs. Whittle and Moffitt when they were students at the University of Tennessee in the late 1960s. The company, named for the audience the publishers orginially set out to serve, produced a student magazine called *Nutshell*. Focusing on this formula of creating magazines for special audiences, Mr. Whittle evolved into the strategic marketer, handling product development and drumming up sponsorship for the magazines, while Mr. Moffitt was dubbed the concept man and concentrates on *Esquire*.

The company, originally funded by friends, family and a bank loan guaranteed by a former professor, produces 23 special interest magazines. Some are single-sponsor publications. The typical deal is for a company to sign a three to five-year contract worth between $1 million and $6 million.

In the early days of 13-30, Sweden's largest publisher, Bonnier Group, was a joint venture partner. But after Messrs. Whittle and Moffitt purchased *Esquire*, they also bought back 7.5% of Bonnier's stock. The Swedish company then sold its remaining share to the London-based Associated Newspapers. This English company and 13-30/Esquire formed a $10 million venture capital fund, called the British American magazine fund, in 1984 and already have spent $3.4 million studying new properties. Projects have included an investment in *New England Monthly*, an *Esquire* Video Pilot for cable tv's Showtime and a film script for Warner Brothers.

Also key during 1984 was the unification of four media into a new division, Campus Voice Network. Mr. Whittle expects this division, which accounts for $11 million of the company's revenues, to be worth $20 million by the end of 1987. Included in the reorganization were *18 Almanac*, an annual magazine for high school seniors with a circulation of 750,000, and *Nutshell*, now published twice yearly and circulating to 1.2 million college students. These two magazines were combined into *Campus Voice*, distributed to 1.2 million high school seniors every March and to college students five times a year.

Good Stuff, an annual program in which $12 million worth of sample products are distributed to college students, was renamed *Campus Voice* Sampler; and Wallpaper Journal, a wall poster ad medium that changes every two weeks during the school year, was renamed *Campus Voice* Biweekly and will be expanded from its current 4,500 installations to 7,000 locations within three years. Bob Hanggii was named vp-publisher of Campus Voice Network and Keith Bellows is group editor. Prices for ads range between $29,800 for a black-and-white page in *Campus Voice* to $510,000 for a combined run in the various media.

Other poster ad media kicked off by 13-30/Esquire in the fall of 1984, include *Physician's Weekly*, a health magazine distributed weekly to 1,000 of the nation's largest hospitals; *Pet Care Report*, and *Esquire* Magazine's Health and Fitness Clinic. The clinic is a unit with three editorial panels and three panels of ads that are changed weekly. They are installed in 1,000 health clubs in the top 50 markets and 600 more clubs will be added next year.

Magazines introduced during the fall include *Tables*, a glossy trade magazine for waiters and waitresses; *Buy*, a monthly sponsored by Black & Decker and mailed free to more than 10,000 small appliance buyers and retailers, and *Veterinarian Practice Management*, sponsored by Ralston Purina. *Destinations*, a three-times-yearly publication, was discontinued.

The 13-30/Esquire organization operates on a decentralized basis with 650 staffers directly involved in decision making. The distribution system, which stocks and delivers publications in 100 cities, employs 200 of these people and is expected to be tripled in size in three years.

During 1985, 13-30/Esquire plans to add one women's magazine devoted to health and another covering entertainment and explore electronic media forms. It recently hired Wayne LoCurto of Richardson-Vicks Benelux countries operations as ceo to head a European branch of 13-30/Esquire to be set up in 1986.

MEDIA OPERATIONS

Magazines

Fortnightly

Esquire

Biannuals

America (Nissan), 1 million college students; *The Best of Business* (Xerox), 350,000 business exectuives; *On Your Own* (U.S. Army), 2.3 million high school seniors; *New Parent Series* (Johnson & Johnson), 1,900,000 new parents; *Veterinary Practice Management* (Ralston Purina), 30,000 veterinarians.

Five times a year

Campus Voice Magazine (multiple advertisers).

Annuals

Looking Good (Kimberly Clark), 100,000 high school students; Young Woman (Kimberly Clark) 1.3 million high school senior women; *Campus Voice* Magazine (pre-college edition, multiple advertisers), 1.2 million high school seniors; *Sourcebook* (U.S. Army), 850,000 high school juniors.

Monthlies

Moviegoer (R.J. Reynolds), 1.2 million movie goers; Tables (Seagram's), 200,000 restaurants; *Retail Appliance Management Series* (General Electric), 18,000 appliance store managers.

Quarterly

Top Line (banks & group health insurers), 100,000 business people.

Wall Poster Ad Media

Biweeklies

Campus Voice Biweekly (multiple advertisers), 4,456 installations; *Sportspage* (R. J. Reynolds), 5,000 installations.

Monthly

Pet Care Report (Ralston Purina), 6,000 installations.

Weeklies

Physician's Weekly (multiple advertisers), 6,000 hospitals; *Esquire Magazine's Health and Fitness Clinic* (multiple advertisers), 1,000 health clubs.

RANK

Thomson Newspapers 34

Toronto

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	321	282	13.8
Total sales	633	551	14.9
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	321	282	13.8
Magazine	0	0	0
Broadcast	0	0	0
Cable	0	0	0

Revenues from the U.S. operations of Thomson Newspapers Ltd., Toronto, overtook those from its Canadian newspaper properties in 1984 in ranking 34th among U.S. media companies with revenues of $320.6 million, up 13.8% from 1983.

Thomson Newspapers, whose Canadian papers contributed $312.5 million in 1984, up 10.8%, had total revenues of $633.2 million, up 14.9% from 1983, is continuing to build its U.S. newspaper franchise. At press time, the company was negotiating to buy six more U.S. newspapers to add to its 88 U.S. dailies and four weekly newspapers with total daily circulation of 1.38 million.

Lord Thomson of Fleet, chairman of Thomson Newspapers, would not reveal the locations of the six, but hinted they were in the South. He also is chairman of International Thomson Organisation Ltd., the umbrella corporation for Thomson Newspapers and for International Thomson Holdings, its trade press operation that is also profiled in this issue.

Both companies, traded publicly, are controlled by Thomson family interests: International Thomson by about 73%, and Thomson Newspapers by 60%. Figures in this report have been converted from Canadian dollars using an average annual rate of exchange for 1984 of U.S.$.78 = C$1.00.

It is slightly more than 50 years since Roy Thomson, later to become the first Lord Thomson of Fleet, bought his first newspaper, a weekly in the small northern Ontario mining town of Timmins. He parlayed this into an international media, oil, retailing, insurance and travel conglomerate, which is now controlled by his son Kenneth.

Lord Thomson makes no secret of where the future of both companies' media expansion lies—the U.S. With 39 dailies and 13 weeklies in Thomson Newspapers' Canadian base, the company probably has reached saturation point in Canada, he says. There has been public and political disquiet in Canada over the concentration of press ownership between Thomson Newspapers and Southam Inc., 50% owned by Maclean Hunter, also profiled in this issue.

Fears had been expressed that if the two were to merge, a monopoly would be created. Such an agreement is unlikely because of a difference in philosophy between the two companies.

The fundamental business philosophy of TN has been, and still appears to be, to buy small-town properties where there is no local competition; then to modernize production facilities to make them less labor-intensive. Southam operates mainly in larger metropolitan centers and most of its newspapers are strongly unionized.

The Thomson family's experiences with union newspapers in major cities have not been particularly happy. The strike at the *Times of London* and the *Sunday Times* led to the eventual sale of these titles to Rupert Murdoch's News International Ltd., after Thomson finally lost patience with such confrontations. However, as new technology defuses the power of craft unions, Thomson's entry into larger markets should not be ruled out.

The acquisitions of five daily newspapers during 1984 follow the company's pattern of targeting small-town properties. The papers and their ABC circulations for the period ended March 31, 1985, compared with the year-earlier period: *Express*, Easton, Pa., 46,795, up only 49 subscriptions; *Altoona Mirror*, Altoona, Pa., 34,775, down 3.3%; *Americus Times-Recorder*, Americus, Ga., 6,651, up 5.3%; *Post-Crescent*, Appleton, Wis., 51,232, up 88 subscriptions; *Daily Spectrum*, St. George, Utah, 13,080, up 12,7% (Sept. 30, 1984 vs. 1983). Thomson sold the *Citizen*, a weekly in Phenix City, Ala.

Since yearend, TN has bought two more dailies, the *Daily News*, Lebanon, Pa., 27,375, down 151 subscriptions, and the *Herald-Palladium*, Benton Harbor/St. Joseph, Mich., 36,288, down 245 subscriptions; and sold its daily, the *Daily Dispatch*, in Douglas, Ariz.

This net full of small fry has paid big dividends for Thomson Newspapers. During 1984, net income was $120 million for Canadian and U.S. properties, compared with $98.4 million a year earlier. TN does not break out U.S. net income, but operating income in the U.S. of $130 million compared with $108.2 million a year earlier. During that period, Canadian operating income was $85.9 million vs. $75.6 million for the year earlier.

Additionally, the company has taken some steps into vertical integration with a half-share interest with Abitibi-Price Inc. in Augusta Newsprint Co. Following a $187.2 million expansion program, the mill became fully operational last year. Thomson Newspapers appears to be set for another year of expansion in the U.S., barring any federal action on limiting foreign ownership of print media.

MEDIA PROPERTIES

Newspapers (dailies)

ALABAMA: *Dothan Eagle, Enterprise Ledger, Opelika-Auburn News.* ARKANSAS: *Northwest Arkansas Times* (Fayetteville). CALIFORNIA: *Barstow Desert Dispatch, Eureka Times-Standard, Oxnard Press-Courier, San Gabriel Valley Tribune* (West Covina), *Siskiyou Daily News* (Yreka), *Whittier Daily News.* CONNECTICUT: Ansonia Evening Sentinel. FLORIDA: *Clay Today* (Orange Park), *Jackson County Floridian* (Marianna), *Key West Citizen, Punta Gorda Daily Herald-News.* GEORGIA: *Americus-Times Recorder* (Americus), *Cordele Dispatch, Dalton Daily Citizen-News, Griffin Daily News, Thomasville Times-Enterprise, Tifton Gazette, Valdosta Daily Times.* ILLINOIS: *Jacksonville Journal Courier, Mount Vernon Register-News.* INDIANA: *Kokomo Tribune, New Albany Tribune.* IOWA: *Council Bluffs Nonpariel, Oelwein Daily Register.* KANSAS: *Atchison Daily Globe, Levenworth Times.* KENTUCKY: *Corbin Times-Tribune.* LOUISANA: *Lafayette Daily Advertiser.* MARYLAND: *Salisbury Daily Times.* MASSACHUSETTS: *Fitchburg Daily Sentinel and Leominster Enterprise, Taunton Daily Gazette.* MICHIGAN: *Adrian Daily Telegram, Escanaba Daily Press, The Herald-Palladium* (Benton Harbor/St. Joseph, Mich.), *Houghton Daily Mining Gazette, Iron Mountain Daily News, Marquette Mining Journal.* MINNESOTA: *Albert Lea Evening Tribune, Austin Daily Herald.* MISSISSIPPI: *Laurel Leader-Call.* MISSOURI: *Cape Girardeau Southeast Missourian, Carthage Press, Sikeston Daily Standard.* NEW HAMPSHIRE: *Portsmouth Herald.* NEW YORK: *Herkimer Evening Telegram, Newburgh Evening News, Oswego Palladium-Times.* NORTH CAROLINA: *Rocky Mount Evening Telegram.* OHIO: *Canton Repository, Coshocton Tribune, East Liverpool Evening Review, Greenville Daily Advocate, Lancaster Eagle-Gazette, Marion Star, Middietown Journal, Newark Advocate, Piqua Daily Call, Portsmouth Times, Salem News, Steubenville Herald-Star, Xenia Daily Gazette, Zanesville Times Recorder.* OKLAHOMA: *Ada Daily News.* PENNSYLVANIA: *Altoona Mirror, Connellsville Daily Courier, Daily News* (Lebanon), *Easton Express, Greenville Record-Argus* (Kittanning), *Hanover Evening Sun, Kittanning Leader-Times, Lock Haven Express, Meadville Tribune, Monessen Valley Independent.* SOUTH CAROLINA: *Florence Morning News.* SOUTH DAKOTA: *Mitchell Daily Republic.* UTAH: *Daily Spectrum* (St. George). VIRGINIA: *Petersburg Progress-Index.* WEST VIRGINIA: *Fairmont Times-West Virginian, Weirton Daily Times.* WISCONSIN: *Fond du Lac Reporter, Manitowoc Herald-Times Reporter, Post-Crescent* (Appleton), *Waukesha Freeman, Daily Tribune* (Wisconsin Rapids).

Newspapers (nondailies)

FLORIDA: *Englewood Herald.* ILLINOIS: *McLeansboro Times-Leader.* INDIANA: *Howard County News.* OHIO: *Greentown-Franklin Chronicle.* PENNSYLVANIA: *Midland News.*

RANK

Time Inc. 3

New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	2,576	2,248	14.6
Total sales	3,067	2,717	12.9
Net income	216	143	51.1
Sales per medium			
Newspaper	0	27.5	N/A
Magazine	1,321	1,131	16.8
Broadcast	0	0	0
Cable	1,225	1,090	15.1

Time Inc., New York, is the country's 3rd largest media company, with 1984 U.S. media revenues estimated by ADVERTISING AGE at $2.576 billion, or 84% of total revenues of $3.067 billion. Media revenues rose 14.6% from $2.248 billion in 1983, or 81.7% of total revenues of $2.717 billion.

Time Inc.'s introduction of a new logo this spring—the words "Time Inc." in a simple typeface demonstrated new directions for the company.

After years of experimenting with opportunities in new technologies such as teletext and over-the-air subscription tv and branching out into related, but noncore fields such as newspapers, it's back to basics for Time.

President J. Richard Munro told the Time Inc. annual meeting April 18 that while 1985 will not be the kind of "watershed year" the company enjoyed in 1984, when it registered record revenues and operating profits, it will "consolidate the gains we've made and pick up the pace we've achieved." Much of those gains and achievements have come in the company's traditional core business—magazines.

Following a period in which the dramatic growth of Time Inc.'s video holdings overshadowed the company's magazine operations, the pendulum is swinging back. Magazine operating profit last year leaped 78%, significantly narrowing the gap between magazine and video. In 1983, video racked up $215 million in operating profits to magazines' $106 million (including a $47 million loss from the *TV-Cable Week* fiasco). But a year later, the figures were $212 million video to $188 million magazines. To further underscore the commitment to magazines, Time Inc. sold its Pioneer Press chain of suburban Chicago weeklies last October to Marshall Field V's Field Corp.

Of Time Inc.'s seven current magazine titles, the three weeklies—*People, Sports Illustrated* and *Time*—had a stellar year. *People*, in its 10th anniversary year, carried 4,063 ad pages, up 17.9%. Ad revenues reached $232.9 million, up 32.8%, while circulation for the six months ended Dec. 31 totaled 2.84 million, up 2.1%, from the comparable period a year earlier.

SI broke a record when its special Olympic issue brought in $24 million in ad revenues, the most for a single issue of any magazine. For the year, its ad revenues rose 26.1% to $230.8 million, ad pages rose 10% to 3,035 and circulation at yearend hit 2.64 million, up 7.6%.

And *Time* widened its ad and circulation leads among newsweeklies as its worldwide ad revenues topped all titles for the 15th straight year; U.S. ad revenues rose 12.1% to $335.6 million, ad pages rose 4.2% to 2,817 and circulation at year-end was 4.62 million, up 0.1%.

Fortune, Time Inc.'s sole every-other-weekly, shared in the boom for business publications, as its U.S. ad revenues reached $111.7 million, up 15.1% from 1983; its ad pages topped 3,486, up 7.4%, and its yearend circulation hit 710,141, up 2.6%.

Among the monthlies, the best performance was turned in by *Money*: Ad revenues up 35.1% to $57 million; ad pages up 6% to 1,516 and circulation at yearend to 1.51 million, up 9.6%. The monthly *Life* ad revenues rose 19.8% to $35 million, as ad pages rose 3.7% to 762; a special Olympics issue was well-received. Circulation at yearend, however, fell 4.1% to 1.45 million. The science monthly *Discover* continued the disappointing results that prompted last year's change in top management: Ad revenues down 10.4% to $10.6 million, ad pages down 14.5% to 434, though yearend circulation rose 8.1% to 977,526; the circulation rate base since has been reduced to 850,000.

To underline the magazine renaissance, Time Inc. in February made its largest acquisition ever in the field, paying $395 million in cash plus $85 million in other considerations to buy Southern Progress, Birmingham, Ala., owner of *Southern Living, Creative Ideas for Living, Progressive Farmer*, and Oxmoor House books.

Southern Progess was the 87th largest media company in ADVERTISING AGE's 1983 rankings, with estimated media revenues of $110 million in fiscal 1983. The deal, which closed in late March, brings to Time Inc. strengths in new publishing categories, such as regional, special-interest and women's.

Time Inc.'s magazine development group kept up its investigation of potential new titles. After conducting mail tests of four magazines—weeklies called *Flash, Investment Week* and *Picture Week* and a monthly called *Leisure*—the group decided last March to focus its efforts on *Picture Week*. To be tested in 13 markets for several months, starting in July, *PW* will be introduced early next year if it is received enthusiastically by readers and advertisers.

A one-shot called *Home Office*, aimed at those who work at home, was brought out in late March, solely sponsored by International Business Machines; response is being gauged to determine whether there would be further issues.

The acceleration in magazines contrasts with a slowdown in what was once Time Inc.'s big growth area, video. American Television & Communications, the subsidiary that operates cable tv systems, has continued to grow as it concentrates on owning cable systems clustered geographically, however, the system has been retarded by weakness at Home Box Office Inc., operator of the Home Box Office and Cinemax pay cable services. The rapid growth of pay tv began to slow in 1984, a situation that has continued into 1985 and has even become more pronounced. In this year's first quarter, for instance, profit at HBO fell, while ATC's rose.

Last October, the video group lost

Home Box Office Inc. chairman-ceo Frank Biondi. He was succeeded by Michael Fuchs, previously president-chief operating officer; Joseph Collins was subsequently named president. Mr. Biondi since has joined Coca-Cola Co.'s entertainment business division as exec vp.

The video group is attempting to rectify its problems via methods ranging from new ad campaigns to a new intensive direct marketing program to entering the backyard earth station market (selling pay services directly to owners of dishes or their cable systems). To cut costs and diversify its offerings to subscribers, HBO is producing more of its own programing and is renegotiating licensing agreements with the major movie studios and independent producers. On the latter front, in April, Time Inc.'s board of directors approved new agreements with Columbia Pictures and with Tri-Star Pictures (owned by Columbia, Time Inc. and CBS).

MEDIA PROPERTIES

Cable/video

Cinemax, Home Box Office, USA Cable Network (33⅓% interest). Also, American Television & Communications Corp., now divided into 22 divisions and one national division that includes many smaller communities in 21 states. The individual divisions include Birmingham, Ala.; San Diego, Cal.; Denver, Co.; Florida; Savannah, Ga.; Hawaii; Indianapolis, Ind.; Shreveport, La.; Portland, Me.; Jackson/Monroe, Miss.; Kansas City; Albany, Rochester, N.Y.; Charlotte, Fayetteville, Greensboro, Raleigh/Durham, N.C.; Reading, Pa.; Memphis, Tenn.; Austin, Tex.; Appleton/Greenbay, Wis. Included in the national division are the following states and, in parentheses, the number of systems in those states: Arkansas (one), California (five), Colorado (seven), Connecticut (one), Illinois (one), Indiana (two), Iowa (one), Kansas (five), Kentucky (four), Minnesota (three), Missouri (six), Nebraska (two), New Jersey (one), New York (one), Ohio (two), Oklahoma (one), Pennsylvania (six), Texas (one), Virginia (one), West Virginia (one), Wisconsin (two).

Magazines

Creative Ideas for Living, Discover, Fortune, Life, Money, People, Picture Week, Progressive Farmer, Southern Living, Sports Illustrated, Time.

OTHER OPERATIONS

Book-of-the Month Club, Little Brown, Oxmoor House books, Selling Areas-Marketing Inc., Time-Life Books.

Times Journal Co. RANK **98**

Springfield, Va.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	96	84	14.0
Total sales	133	199	11.3
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	96	84	14.0
Magazine	0	0	0
Broadcast	0	0	0
Cable	0	0	0

Times Journal Co., Springfield, Va., the nation's 98th largest media company, had 1984 media sales estimated by ADVERTISING AGE at $95.8 million, up 14% from 1983.

Privately held Times Journal predicts its Washington suburban Journal newspapers will show a profit this year for the first time since they went daily in 1981. Meanwhile, the company's other media operating division, Army Times Publishing Co., is turning out ad revenues about even with 1984, which was less than spectacular.

The *Journal* newspapers, with five separate editions for three Virginia and two Maryland communities, saw circulation rise 2% to 150,000 in 1984, according to Henry Belber, exec vp. For the first half of 1985, ad linage is up about 15%, while ad revenue has soared 28%, largely from classifieds.

Army Times Publishing Co. publishes the weekly military newspapers: *Army Times, Air Force Times* and *Navy Times*. Combined circulation remained at 320,000 in 1984. Ad linage in 1984 was up 11% and shows similar growth this year.

Federal Times, a weekly paper geared to government workers, dropped 5% in circulation to 40,000.

Company executives are considering starting a new national publication in early 1986, according to Mr. Belber, who declined to reveal any more details. The Times Journal did not begin any publications in 1984. Instead it concentrated on its *Journal* newspapers, spending $500,000 on a radio campaign by W.B. Doner & Co., Baltimore, to attract subscribers and classified advertisers.

Mr. Belber says the *Journal* will spend another $500,000 this year, using similar radio spots, which emphasize the need for daily news coverage of the suburban communities. The classified spots use testimonials from satisfied advertisers. The papers will continue with their tag line, "The *Journal*. Suburban Washington's newspaper."

The weeklies went to a weekday schedule after the *Washington Star* folded in August, 1981. Mr. Belber says no weekend editions are planned because the paper relies on mail delivery to suburban homes. Its main competitor is the *Washington Post's Weekly* suburban section, divided into city, Maryland and Virginia editions and inserted in Thursday newspapers.

Mr. Belber thinks the Journal papers finally are reaching maturity. "We're edging toward our fair share of the business, vis-a-vis the *Post*," he says. "And the *Post* is gaining in advertising, so the pie is enlarging."

The Journal's classified advertising has jumped 41% so far this year, he claims.

Renewal rate for the papers increased to 78% in 1984, Mr. Belber says, which he hopes will not be hurt by a May, 1985, subscription increase from $32 to $39 a year.

The Times Journal Co. also operates the Times Journal Telemarketing Co., which offers a telemarketing service to outside clients such as Citicorp.

Times Journal Printing Co. prints *USA Today* regional editions, the *Washington Post's* Sunday tv guide, Times Mirror Co.'s *Sporting News* and some special sections.

MEDIA PROPERTIES

Magazines

Times Magazine (supplement to all three military papers), *Military Market* (trade magazine).

Newspapers (dailies)

MARYLAND: *Montgomery Journal, Prince Georges Journal.* VIRGINIA: *Alexandria Journal, Arlington Journal, Fairfax Journal.*

Newspapers (nondailies)

NATIONAL: *Air Force Times, Army Times, Federal Times, Navy Times.*

Other media operations

Times Journal Printing Co., Times Journal Telemarketing Co.

Times Mirror Co. RANK **5**

Los Angeles

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	1,988	1,667	19.3
Total sales	2,805	2,491	12.6
Net income	233	200	16.6
Sales per medium			
Newspaper	1,472	1,267	16.2
Magazine	140	130	7.5
Broadcast	125	116	7.4
Cable	252	154	63.3

Times Mirror Co., Los Angeles, passed the century mark in publishing in 1984, when it recorded media revenues of $1.98 billion, an increase of 4% over the previous year, making it the 5th largest media company.

Total revenues for the multimedia company were $2.8 billion, with $1.47 million attributed to its major business of newspaper publishing. The newspaper segment's revenues were up 16% over the previous year.

Magazines and broadcast tv ran neck and neck, both groups up 7% over 1983. The past year saw the 102-year-old *Los Angeles Times* pull out all the stops in its coverage of the Olympic Games, with Times Mirror spending $5 million to sponsor an Olympics Arts Festival. These ventures took their toll on profits, but improved ad linage helped offset expenses.

Times advertising for 1984 topped out at 213,171,000 lines, up 18% from a year earlier. The nation's longtime leader in classified, the newspaper once again asserted its dominance with 30,332,000 lines, a 24.9% increase over 1983.

Completion of new satellite plants in Orange County and in the San Fernando Valley are expected to add more productivity gains.

The new San Fernando Valley facility has enabled the *Times* to come out with a new Valley edition for some head-to-head competition with the Tribune Co.'s Los Angeles *Daily News* in the Valley and southern Ventura County. The new edition, according to Times publisher Tom Johnson, has helped double display advertising from Valley retailers and accounted for a 75% gain in classified ads from the area.

The *Times* also unveiled a new in-depth sports section called Monday Special Sports and announced plans for expansion of its financial news and the start of a new Sunday magazine supplement coming Oct. 4.

Total *Times* circulation, according to ABC statements for the six months ended March 31, stood at 1,069,564 daily and 1,332,138 Sunday—dominating the Los Angeles market. But Times Mirror found the going tougher in more competitive markets in Dallas and Denver.

The circulation war between the company's *Dallas Times Herald* and the rival *Dallas Morning News* found the *Times Herald* trailing across the board. According to ABC's six-month averages ended March 31, 1985, the *Times Herald's* 241,055 all-day paper compared with 368,683 for the *News*, and its 345,932 Sunday circulation gave way to the *News'* 476,003.

The *Times Herald* took steps to shore up its position with a $46 million capital expansion project and broadening of its circulation sales and distribution.

Times Mirror's *Denver Post* has been facing the same sort of circulation challenge from Scripps Howard's *Rocky Mountain News*. The *Post* circulation, in its Sept. 30 report to ABC (the *Post* did not file in time to be reported March 31, 1985), stood at 223,249 daily and 337,870 Sunday. For the same period, the *Rocky Mountain News* reported 317,638 for its morning daily, and 366,003 for Sunday.

The *Post* has begun a $28 million expansion of plant and editorial improvements to stem the circulation slide, and named ad agency Schenkein/Associates, Denver, to help step up its circulation promotions. The *Post* is saying its Sunday product increased to the 400,000 range as of March 31, 1985, attributing the jump to the addition of 60,000 subscribers of United Cable Television Corp., a local cable franchise holder, whose program offerings now are being listed in the *Post's* "TV Week" Sunday supplement. The *Denver Post* also took a Pulitzer Prize for feature photography, helping Times Mirror become the first media company ever to win four Pulitzer prizes in a single year. The *Los Angeles Times* added two more and *Newsday* another.

Newsday, Times Mirror's Long Island daily, which continued to build up its New York edition, has total daily sales of 542,073 (up 1.7%) and Sunday sales of 611,403 (up 0.5%). The paper now is sold on newsstands in Manhattan, where it has a circulation of about 45,000. The paper has begun offering a daily themed special section, following a similar practice begun by the *New York Times* several years ago.

On the corporate front, Times Mirror president-chief executive officer Robert F. Erburu was named to the added post of chairman of the board, effective Jan. 1, 1986. At that time Otis Chandler, board chairman and editor-in-chief of Times Mirror, will take over as chairman of the board's executive committee. In mid-December, Phillip L. Williams was elected exec vp of the company, effective Jan. 1, 1985.

In line with a corporate strategy of increasing participation in communications businesses while disposing of others that are not in that line, in early 1985 Times Mirror acquired Call-Chronicle Newspapers, Allentown, Pa., for $106 million, giving the company its eighth newspaper property.

At the company's recent annual meeting, however, Mr. Erburu told shareholders it appears unlikely that Times Mirror would be a high bidder for media properties coming on the market in the near future. He said the company's management believes the current merger "frenzy" may have temporarily inflated prices, which "far exceed" historical valuations. "While Times Mirror will remain active in acquiring new media properties," he said, "it is unlikely that we will be high bidders at current levels."

Circulation of the *Call-Chronicle*, distributed in a nine-county area in the Lehigh Valley, is 130,996 daily and 169,046 Sunday, both figures up about 2,000 subscribers from year-earlier figures.

In late 1984, Times Mirror ended its legal battle with the Connecticut Department of Public Utility on ownership of newspaper and cable properties. The company agreed to sell its interest in a Hartford cable tv franchise by Sept. 4, 1987.

Divestiture of the 60,000-subscriber system is part of a proposed court settlement with the state, which had challenged Times Mirror's ownership of both the *Hartford Courant* and cable tv franchises in Hartford and downstate Meriden. Then early this year the company signed a letter of intent to sell its Hartford cable tv system to Denver-based United Cable for $61.5 million cash, on approval of state and federal authorities and company boards.

Another agreement with Storer Communications, Miami, provided for the exchange of cable tv systems involving 446,300 residential units evenly divided between the two companies. Times Mirror traded its systems in North Little Rock and Jacksonville, Ark.; Point Pleasant Beach, N.J., and Louisville, N.C., for Storer systems in Phoenix, Mesa and Paradise Valley, Ariz., and in Orange County, Cal.

Times Mirror also sold its 625,000 shares of Commerce Clearing House for $31.6 million and its Graphic Products Group for another $52 million in cash and a $3 million note. The company then announced it will be spending more than $100 million in cash for a Xerox Corp. subsidiary that sells management and sales training programs.

At the same time, Times Mirror and Knight-Ridder Newspapers, Los Angeles, agreed in principle to sell their jointly owned cable tv operation serving Long Beach and Signal Hill, Cal., to Simmons Communications, Stamford, Conn.

Despite an industry wide slowdown in spot advertising in the fourth quarter of 1984, Times Mirror's seven-station broadcast tv group produced record sales and earnings for the year. KDFW-TV, the flagship station, maintained its strong market position in the competitive Dallas-Fort Worth market throughout the year.

Revenues for the company's cable tv group were up 63% over the previous year, reflecting the full-year sales of two major systems in Phoenix and Las Vegas, which were not fully owned in 1983. Contributing to that growth were more cable subscribers, up to 910,000 for basic services and 741,000 for pay services, and rate increases in some franchises.

Times Mirror is ranked the seventh largest cable system operator in the U.S., with 57 systems serving 300 communities. The company also began operations of its Times Mirror Videotex Services, with the September opening of its new Gateway service for consumers in Orange County.

Videotex marketers reported more than $1 million in national ad commitments for Gateway's first year of scheduled service.

MEDIA PROPERTIES

Broadcasting

TV: KDFW, Dallas; KTBC, Austin; KTVI, St. Louis; WETM, Elmira, N.Y.; WHTM, Harrisburg, Pa.; WSTM, Syracuse; WVTM, Birmingham, Ala.

Cable/video

Times Mirror Cable Television owns 61 cable properties, serving the following areas —ARKANSAS: Jacksonville, North Little Rock. ARIZONA: (All 50% owned, with American Cable Television): Bullhead City, Casa Grande, Chandler, Eloy, Fountain Hills, Heber, Lake Havasu, Nogales, Paradise Valley, Phoenix, Rio Verde, Superior, Tempe. CALIFORNIA: Escondido, Long Beach, Orange County, Palos Verdes, Perris, Victorville. CONNECTICUT: Hartford, Meriden. ILLINOIS: Springfield. INDIANA: Lafayette. KENTUCKY: Ashland, Hopkinsville, Louisville. MASSACHUSETTS: Amherst, Bradford, Brewster (95%), Brookline, Greenfield, Longmeadow, Palmer, Weymouth (90%). NEVADA: Las Vegas. NEW JERSEY: Point Pleasant Beach. NEW YORK: Riverhead. OHIO: Caldwell, Cambridge, Coshocton, Defiance, Greenfield, Ironton, Logan, Newark, Newcomerston, New Philadelphia/Urichsville, Toronto, Waverly. PENNSYLVANIA: Beaver Falls, Glenolden/Darby, South Philadelphia, Upper Darby, Washington, Williamsport. RHODE ISLAND: Providence, West Warwick. TEXAS: Del Rio, Kerrville, Marlin, Midland, Texarkana, Uvalde. WEST VIRGINIA: Weirton.

Times Mirror Videotex Services, Santa Ana, operates Gateway service in Southern California, and Videotex America, U.S. marketer of Gateway software and services as a joint venture with Infomart, Toronto.

Magazines

Golf, Outdoor Life, Popular Science, Ski, Sporting News.

Newspapers

CALIFORNIA: *Los Angeles Times.* COLORADO: *Denver Post.* CONNECTICUT: *Greenwich Time, Hartford Courant, Stamford Advocate.* PENNSYLVANIA: *Call-Chronicle*, Allentown. TEXAS: *Dallas Times Herald.* NEW YORK: *Newsday.*

OTHER OPERATIONS

Book publishing, newsprint and forest products group.

Times Publishing Co. RANK **71**

St. Petersburg, Fla.

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	152	135	12.8
Total sales	152	135	12.8
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	134	124	7.8
Magazine	10.3	10	3.0
Broadcast	0	0	0
Cable	0	0	0

Times Publishing Co., St. Petersburg, Fla., which completed 1984 with upbeat results for its lead newspaper and entered the new year with plans for a new magazine, *Georgia Trend*, was the nation's 71st largest media company in 1984.

Times Publishing, which publishes the *St. Petersburg Times* and the *St. Petersburg Evening Independent*, had estimated revenues of $152 million in media, up 12.8% from 1983.

Although the business and financial journal, *Georgia Trend*, is opening in a new market, it is not a new product category for Times Publishing, which publishes the 26-year-old statewide business magazine, *Florida Trend*. First issue for the Atlanta-based *Georgia Trend* will be September, 1985.

In the company's primary market, St. Petersburg, circulation at the *St. Petersburg Evening Independent* leveled off in 1984 after three straight years of losses. Leo Kubiet, Times Publishing ad director, says the decline in past years has been part of the Times Publishing's effort to restrict circulation of the paper. Circulation of the evening paper increased 1.1% to 38,085, according to ABC's six-month averages ending March 31, 1985.

"We decided it would be best for the paper to confine distribution to the immediate St. Petersburg area and the beach communities just south of the city. Circulation has not fallen for any other reason," Mr. Kubiet says.

The morning *St. Petersburg Times*, on the other hand, retains its regional target area, he says, adding that distribution for the *Times* has not been restricted. Its daily circulation increased 1.8% to 287,700; Sunday circulation rose 3.7% to 370,283 for the same six-month period.

Ad inches for both papers increased. At the *Times*, ad inches are divided into two categories: Part-run ads that appear in one but not all of the *Times'* eight regionally zoned editions; and full-run ads that appear in all the zoned editions.

For the morning daily, full-run ad inches were 2,445,758; part-run, 1,745,566, for a total of 4,191,324 ins., exceeding last year's total by 15%. In the Sunday edition, there were 1,053,851 full-run inches and 560,025 part-run inches, for a total of 1,613,879 ins., again exceeding last year's total by 0.3%.

The evening paper, with no zoned editions and only full-run ads, ran 1,647,540 ins., up 12.5%. Total ad linage for morning, evening and Sunday papers was 13,275,940, up 10.8% over 1983. Over-all ad rates increased an average of 10%, Mr. Kubiet says.

In editorial matters, the company has increased staff in many of its departments, including business, foreign news, and state and local departments.

Modern Graphics Arts, which handles some commercial printing for Times Publishing, including preprint inserts, will publish *Georgia Trend*. Modern Graphic Arts also prints *Florida Trend*.

The monthly *Georgia Trend* will sell against two Atlanta-oriented publications: Scripps Howard's *Atlanta Business Chronicle*, a tabloid weekly covering Atlanta with 15,242 ABC-audited circulation as of Sept. 30, 1984; and Communication Channels Inc.'s *Business Atlanta* monthly, a slick, four-color product like Georgia Trend with 22,149 circulation for the same period.

Georgia Trend's niche among the three will be its statewide coverage, although 67% of the responses to its circulation mailers have come from Atlanta—which is basically the population breakdown in the state, says Frank Quigley, ad manager. He hopes to convert an initial 20,000 paid-controlled circulation mix in the first year to fully paid by the time the start-up grace period of three years is lifted by Times Publishing.

Projection for advertising, to cost $1,695 for a full page b&w and $2,295 for four-color, is $175,000 for the four months of 1985, which includes give-away ads in December for advertisers who buy the first three months.

The expansion of Times Publishing into the Georgia market initially caused some speculation that the company might be planning other ventures into that state's publishing industry. Mr. Kubiet says the company has no plans for such an effort, noting that the publishing company is somewhat restricted by its covenant to move into certain areas of publishing.

Nelson Pointer, former owner of the Times Publishing who died in 1978, established in his will that the company could not acquire papers other than those it owned at the time of his death, that is, the two St. Petersburg papers. He also stipulated that those two papers never be sold to another company. "Of course, this stipulation does not preclude starting or acquiring magazines such as *Georgia Trend*," Mr. Kubiet says.

MEDIA PROPERTIES

Newspapers

St. Petersburg Times, St. Petersburg Evening Independent.

Magazines

Florida Trend; Georgia Trend (startup Sept. 1985).

Other media

"Congressional Quarterly," Editorial Research Reports. Modern Graphic Arts commercial printer.

Members of the board

Eugene J. McCarthy and Marta Casals Istomin hold seats on the Harcourt Brace Jovanovich board. Anne Morrow Lindbergh left the HBJ board in 1984 to be replaced by Dallas real estate mogul Trammell Crow.

RANK 20

Triangle Publications

Radnor, Pa.

($ figures – 000,000)

Corporate returns	1984	1983	% chg
Media sales	657	579	13.4
Total sales	657	579	13.4
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	68	62	9.7
Magazine	589	517	13.9
Broadcast	0	0	0
Cable	0	0	0

Triangle Publications, Radnor, Pa., publisher of *TV Guide, Seventeen* and the *Daily Racing Form*, had estimated media revenues in 1984 of $657 million, up 13.4% from estimates in 1983, to rank 20th among the nation's leading media companies.

Triangle, controlled by Walter Annenberg, in 1984 changed leadership and moved into new distribution and publication ventures.

As of Jan. 1, 1985, William Henrich Jr., who had served as outside counsel for Triangle, succeeded Mr. Annenberg as president. Mr. Annenberg, 77, who was honored as publisher of the year for 1984 by the Magazine Publishers Assn., assumed the new role of chairman.

In 1984, Triangle entered into the magazine distribution arena, picking up the national newsstand distribution accounts for *Newsweek, Reader's Digest, Soap Opera Digest, Woman's World* and the *Washington Post Weekly*, in addition to *TV Guide* and *Seventeen*, according to a company spokesman.

Triangle also has announced plans to resume publication of *Good Food*, a *TV Guide*-sized monthly, in early 1986. Frank G. Wolf, current publisher of *Seventeen*, will become group publisher of both *Seventeen* and *Good Food*. The new magazine will carry a cover price of $1, with an initial circulation of 2 million.

Good Food will be headquartered in New York in the same building as *Seventeen*. Personnel from other Triangle publicatons will be named to positions within *Good Food*.

The company's mainstay, *TV Guide*, carried 3,799.6 ad pages in 1984, up 4.6% from 1983, according to Publishers Information Bureau. Gross ad revenues were $304.3 million, up 12.9% from 1983. The publication instituted a 5% rate increase in July, 1984, and will boost its ad rates 6% in July, 1985. This 6% hike will bring the cost of a four-color page in *TV Guide* to $94,605.

Net paid circulation for 1984 was 17.2 million, a 3.6% increase from 1983. However, circulation is still slightly below the 1982 average.

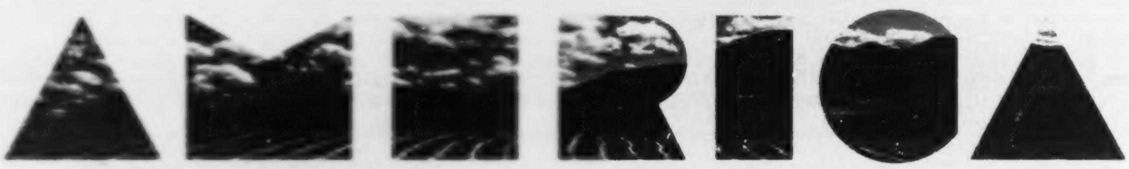
Managing editor R.C. Smith says the publication worked hard in 1984 to stay abreast of changes affecting the tv viewer. In September, *TV Guide* began a vcr report, included in the Insider section of the magazine. The report, which began as a spread every other issue, became a one-page weekly feature in late May.

"Our audience is so huge, with 43 million readers, that we have to move cautiously with changes," Mr. Smith says.

Seventeen, which celebrated its 40th anniversary with the September, 1984, issue, had estimated ad pages of 1,496.4 in 1984, up 13.9%, and gross ad revenues of $32.3 million, up 25.3%. The magazine hit a record high circulation of 1.7 million for 1984. *Seventeen* had a 3% ad rate base increase in August, 1984. Following an increase in guaranteed circulation to 1.6 million in February, 1985, the magazine had another rate base increase of 0.3%.

Publisher Frank G. Wolf says the magazine is prospering because of a change in the nature of its audience, despite a decline in the number of teen age girls. "The market we are serving is

CELEBRATE



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Mayor, City of Philadelphia
T. Marshall Hahn, Jr.
Georgia-Pacific Corporation
James R. Harvey
Transamerica Corp.
Raymond A. Hay
The LTV Corporation
William N. Hulett
Stouffer Hotel Company
Ramon L. Humke
Indiana Bell Telephone Co., Inc.
Samuel Huntington
New England Electric System
Edward G. Jefferson
E.I. du Pont de Nemours & Co.
Kenneth L. Lay
Houston Natural Gas Corporation

Donald D. Lennox
International Harvester Company
H. William Lurton
Jostens Inc.
John W. Lynn
F.W. Woolworth Co.
William S. Manning
Bibb Co.
John F. McGillicuddy
Manufacturers Hanover Corporation
Robert E. Mercer
Goodyear Tire & Rubber Company
Richard M. Morrow
Standard Oil Company (Indiana)
Michael T. Nelligan
Ideal Basic Industries, Inc.
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Wisconsin Bell, Inc.
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Borden, Inc.
Richard P. Sullivan
Easco Corporation
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The Greyhound Corporation
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The Timken Company
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Orange County Board of Supervisors
Charles J. Zwick
Southeast Banking Corporation

1985 U.S. SAVINGS BONDS VOLUNTEER COMMITTEE

more affluent," Mr. Wolf says. "The number of two-income families is increasing, making the teen age daughter more responsible for household tasks. She is being richly rewarded for her role, and no one is supervising how she spends her money."

Michael P. Sandler, publisher of *Daily Racing Form*, reports a strong performance for the turf daily in 1984, its 90th year of publication. Last year, the newspaper began operating a satellite transmission system to enable it to print the northwestern edition in Seattle, Wash., from negatives prepared in Los Angeles.

ABC figures show net paid circulation of 186,257 Saturday; 124,824 Monday, and 108,196 Tuesday to Friday, for the U.S. and Canadian editions. These numbers represent an increase of about 10% over 1983 circulation. *Daily Racing Form* is largely circulation driven.

MEDIA PROPERTIES

Magazines

TV Guide, Seventeen.

Newspapers

Daily Racing Form.

Members of the board

The New York Times Co. board has famous politicos Cyrus R. Vance, former Secretary of State under President Jimmy Carter and now partner in the New York law firm of Simpson Thatcher & Bartlett, and William W. Scranton, former Pennsylvania governor, congressman and U.N. ambassador.

RANK

9

Tribune Co.

Chicago

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	1,597	1,397	14.3
Total sales	1,794	1,586	13.1
Net income	103	69	48.8
Sales per medium			
Newspaper	1,274	1,137	12.0
Magazine	0	0	0
Broadcast	282	229	23.4
Cable	40	31	27.5

The Tribune Co. collected its best performance ever in 1984 and quickly plowed that into a media acquisition in May, 1985, that shored up its future position in broadcast in the nation's three leading markets.

The Chicago-based company ranked 9th in 1984 with media revenues of $1.60 billion, 89% of total corporate revenues. The only nonmedia activities at Tribune Co. include those of its newsprint and forest products segment and the Chicago Cubs baseball team.

The acquisition from Kohlberg, Kravis & Roberts of Los Angeles station KLTA-TV did not catch Tribune Co. watchers by surprise, but the price did. The $510 million paid for the independent will be the most paid for a single tv property. Most analysts believe Tribune Co. paid from $50 million to $100 million too much.

Yet, taking the steam out of the debate over the price is the fact that the purchase gives Tribune Co.'s growing broadcast unit access to 20% of the U.S. population, a nice ad and programing package. The company already has independent stations in Chicago and New York.

But this may serve the Tribune Co. more in the future than in the present. The acquisition caused brokerage houses to pare earnings estimates for 1986 as much as 60¢ a share to $3.30, a 15% decline—a figure in keeping with the company's own estimate of the acquisition's impact on earnings.

This new debt at Tribune Co. is unattractive to the acquisition-minded. The company also is tripling the number of authorized common shares to 150 million "to impede a takeover or to make changes in the control of the company more difficult," as the company put it at its annual meeting. The two measures confirm suspicion that the giant Midwest media company was either being considered prime bait for takeover, internal or external, or has feared such.

Although the asset value of the company has been double its current stock price, making it attractive to a takeover artist, a hostile takeover would be virtually impossible because McCormick family and employe trusts own more than 50% of the stock. A staggered board on which members are elected for three-year terms at alternate years is another block.

Its 1984 performance would make any takeover artist salivate. Operating revenues jumped 13.1% to $1.79 billion and net income jumped 48.8% to $103 million. That was followed by an equally attractive first quarter, ended March 31, 1985, when company revenues rose to $449 million, up 14%, and net income hit $16.6 million, a surge of 66%. Tribune Co. stock, which sold for $26.75 a share when the company went public in October, 1983, is now in the mid-$40s.

The newspaper group is the big revenue generator among Tribune Co.'s operating segments. In 1984, ad revenues were up 15% in the segment, which had operating profit of $188.5 million, up 29.4%, and revenues of $1.28 billion, up 12.1% from the previous year—a revenue increase echoed in the first quarter of the new fiscal year.

The newspaper segment will be most affected by the KTLA-TV investment. Tribune Co. will have to divest its *Los Angeles Daily News* in addition to cable operations in Lakewood and Palmdale, Cal., to abide by FCC rules preventing media crossownership in a single market. The company expects to complete the transactions within the year.

Last year the Tribune Co.'s 138-year-old flagship newspaper, the *Chicago Tribune*, entrenched itself further in the Chicago market, where it enjoys a 63% share of total ad linage at the expense of major rival, the *Sun-Times*, purchased in January, 1984, by Rupert Murdoch.

Mr. Murdoch's purchase of the *Sun-Times* routed several noted staff members, among them veteran columnist Mike Royko, who walked across Michigan Ave. to join the *Chicago Tribune*. *Sun-Times* publisher James Hoge left to become chairman-publisher of the Tribune Co.'s *New York Daily News*, a direct rival of another Murdoch paper, the *New York Post*.

According to Audit Bureau of Circulations figures for the six months ended March 31, 1985, the *Tribune's* average Sunday circulation grew 1.8% to 1.17 million, compared with a 0.5% increase at the *Sun-Times* to 690,904. The *Tribune's* daily circulation grew 1.7% to 775,664 as the *Sun-Times* daily circulation increased a similar 1.7% to 639,187.

More recent moves by the *Tribune* to ensure its position include creating its own version of total market coverage with a direct mail service called *Tribune Plus* that will reach suburban consumers who are not subscribers and lure more ad spending from large retail chains. Also, the *Tribune* plans to launch its first satellite edition sometime this year.

Even the headache in the Tribune Co.'s newspaper lineup—the *New York Daily News*—is responding to medication. In 1982, the *News*—the nation's largest general circulation paper—was on the auction block. People moving to the suburbs, competition from the *Post*, labor costs, the failure of an afternoon edition—the *Daily News Tonight*—all contributed to make the giant ill.

Mr. Hoge has restructured the printing and distribution system, moving operations from Manhattan to Brooklyn. Some 98% of the target market are now getting papers printed after midnight, ensuring late-breaking news and sports scores.

As a result of Mr. Hoge's guidance, industry observers say, the paper is more lively and the reporting better. The sports and business sections are larger, as is the Sunday magazine. When the *Post* raised its price from 30¢ to 35¢ last September, Mr. Hoge kept the price of the *News* at 30¢. The *News* also pirated away the *Post's* editorial cartoonist.

Mr. Hoge's mission is not finished, however. ABC figures for the six months ended March 31, 1985, show Sunday circulation continues to decline, down 2.2% to 1,773,676. However, by the end of last year, daily circulation of 1,390,955 was heading up for the first time since 1982. It was a 1.1% increase over the previous six months.

The *Post's* daily circulation for the same period showed a decline of 6.4% to 901,313. Last year, the *News* had 43% of retail advertising linage in the New York market.

What promises to drastically affect both papers, however, is the recent purchase by Mr. Murdoch and Denver oilman Marvin Davis of Metromedia's seven tv stations for $2 billion, a move that apparently will force Mr. Murdoch to unload both the *New York Post* and the *Chicago Sun-Times* because of crossownership conflicts.

"This has got to benefit both [Tribune Co.] papers, the *Daily News* in particular," says Edward J. Atorino, analyst with Smith Barney-Upham & Harris, New York. "Just the transition period alone will give the Tribune Co. papers a chance to build circulation and reach new advertisers," he says.

Media companies by estimated cable revenues ($000)

with number of subscribers

Company	Cable revenues 1984	Cable revenues 1983	1984 media revenues	Cable revs. % of '84 media revs.	Revenue source	Subscribers*
Time Inc.	[illegible]	[illegible]	[illegible]	[illegible]	ATC Corp.	[illegible]
					HBO	14,500,000
					Cinemax	3,300,000
Westinghouse Electric Corp.	748,500	627,100	944,900	79.2	Group W	2,013,000
Tele-Communications Inc.	449,400	347,300	449,416	100.0	Tele-Communications	3,300,000
Cox Communications	404,900	337,400	684,140	59.2	Cox Cable Communications	1,540,533
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Times Mirror Co.	251,500	154,000	1,988,300	12.6	Times Mirror Cable Television	993,789
American Express Co.	236,500	219,000	279,300	84.7	Warner Amex Cable	1,230,000
Warner Communications	236,500	219,000	271,000	87.3	Warner Amex Cable	1,230,000
Continental Cablevision	226,000	156,000	226,000	100.0	Continental Cablevision	939,000
Viacom International	183,700	151,500	267,300	68.7	Viacom Cablevision	785,000
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	UA Cablesystems	[illegible]
					Rogers Cablesystems	588,604
Advance Publications	160,000	140,000	1,900,000	8.4	Newhouse Broadcasting	873,198
United Cable Television Corp.	140,700	115,300	140,700	100.0	United Cable Television	679,572
Sammons Communications	113,000	94,000	113,000	100.0	Sammons Communications	649,000
MTV Networks Inc.	109,500	49,800	109,500	100.0	MTV: Music Television	25,800,000
					VH-1	5,500,000
					Nickelodeon	[illegible]
Kohlberg Kravis Roberts & Co.	102,000	90,300	302,000	33.8	Wometco Cable TV	300,430
TeleCable Corp.	100,000	79,000	100,000	100.0	TeleCable Corp.	427,885
Turner Broadcasting Co.	88,300	65,100	265,800	33.2	WTBS, Atlanta	33,900,000
					Cable News Network	32,200,000
					CNN Headline News	15,300,000
Capital Cities Communications	76,300	67,000	939,700	8.1	Capital Cities	365,000
Maclean Hunter Communications	69,500	60,000	270,200	25.7	Maclean Hunter Cable TV	237,903
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Tribune Co.	39,900	31,300	1,596,700	2.5	Tribune Cable Communications	180,268
					WGN, Chicago	15,500,000
					WPIX, New York	1,200,000
Providence Journal Co.	35,000	30,000	172,000	[illegible]	Colony Communications	193,209
American Broadcasting Cos.	33,700	13,400	3,650,000	0.9	ESPN	35,700,000
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Blade Communications	23,000	19,500	157,600	14.6	Buckeye Cablevision	169,623
New York Times Co.	22,100	18,300	1,229,600	1.8	New York Times Cable	121,000
Harte-Hanks Communications	20,000	8,900	500,000	4.0	Harte-Hanks Communications	136,050
Oklahoma Publishing Co.	18,000	0	389,200	4.6	Nashville Network	22,100,000
Playboy Enterprises	15,600	8,300	166,300	9.4	Playboy Channel	800,000
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Howard Publications	11,600	7,000	166,000	[illegible]	Falcon Communications	120,575
Scripps Howard	11,000	6,229	829,000	1.3	Scripps Howard	210,225
Media General	7,000	5,000	305,000	2.3	Media General Cable	58,000
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Hearst Corp.	6,000	4,000	1,400,000	0.4	Hearst Cablevision	30,000
Journal Co.	6,000	5,000	197,300	3.0	Teltron	27,147
Meredith Corp.	4,300	2,700	327,200	1.3	Star CATV Investment	33,449
Central Newspapers	1,000	900	380,000	0.3	Telegroup	N/A
Landmark Communications	N/A	N/A	N/A	N/A	Weather Channel	16,000,000
RKO	N/A	N/A	N/A	N/A	WOR, New York	5,100,000

*Source: Cabletelevision Advertising Bureau and National Cable Television Assn.

NOTE: Some major cable operations are joint ventures, including Showtime/The Movie Channel, (Showtime has 5.4 million subscribers, The Movie Channel has 3.2 million) co-owned by Viacom International and Warner Amex Cable Communications; Lifetime (25 million subscribers) co-owned by American Broadcasting Cos., and Viacom International; and Arts & Entertainment Network (12.5 million subscribers) co-owned by American Broadcasting Cos., RCA Corp., and Hearst Corp.

The Tribune's Florida papers, which account for 23% of the newspaper group's revenues, have shown the biggest growth. The *Orlando Sentinel*'s Sunday circulation jumped 7.7% to 309,078, according to ABC figures for March 31, 1985, while daily figures increased 5.2% to 245,194. In 1984, full-run ad linage grew 18%.

The combined *Fort Lauderdale News* and *Sun-Sentinel* also did well, increasing Sunday circulation 3% to 267,793 and daily circulation 3.6% to 210,703 on March 31, 1985. Annual growth of 20% is predicted for the Florida papers for the next few years.

The California properties are paced by the *Daily News*—now on the auction block. The paper has evolved from a free nondaily shopper into a full-service newspaper with daily circulation of 145,523, up 2.7%, on March 31. The daily Palo Alto *Peninsula Times Tribune* showed a decline of 1.4% to 58,175, and the daily Escondido *Times-Advocate* grew 7.5% to 35,862 for the same period. This group is anticipating a 10% growth rate over the next few years.

In 1984, Tribune Community Publications was formed to manage the company's free distribution shoppers and weekly newspapers that have combined circulation of 1.4 million.

Operating revenues at the Tribune Co.'s broadcasting and entertainment segment grew 23.6% to $282.2 million and operating profits increased 3.8% to $47 million in 1984.

In 1984, the company purchased Atlanta independent station WANX-TV for $32 million and renamed it WGNX-TV. The acquisition brought company-owned stations to five at yearend, including superstation WGN-TV, No. 1 independent in Chicago, and WPIX-TV in New York, the No. 2 independent in its market. Tv broadcast revenues, representing 70% of broadcast and entertainment segment, were up 19.2% to $198.2 million.

Part of the hearty performance returned by the entertainment portion of the segment can be attributed to the good year turned in by pennant-minded, Tribune Co.-owned Chicago Cubs. Entertainment revenues grew 48.8% last year to $45.4 million. However, operating profit margin for the entertainment portion of the segment was down 3% from 1983 because of costs of developing the new Atlanta station bought last year and New Orleans station WGNO-TV, bought in 1983.

According to analysts, broadcasting the Cubs games brought the segment an additional $5 million in net income. The Cubs could generate considerably more revenue, however, if lights were installed at Wrigley Field, the only unlit Major League Baseball park. ABC stirred up this issue in late May reporting it would broadcast World Series games only during prime time. ABC had this option as part of its $80 million contract with professional baseball.

The Tribune Co.'s five radio stations—including WGN (am) in Chicago and WPIX (fm) in New York—reported the highest operating profits in the group's history, up more than 30%. Revenues were up 22% for this segment that contributed 14% of the broadcasting and entertainment segments operating revenues. WGN has the highest audience share in Chicago and is the largest billing am radio station in the U.S. It also greatly benefited from broadcasting the Cubs last year.

Aside from the Cubs, analysts are high on the entertainment and broadcasting segment because its programing arm complements individual tv ownership. Last year several new ventures were created to take advantage of this internal symbiosis.

Inday, a joint venture with LBS Communications, will offer a two-hour daytime program to independent tv stations. TV Net, developed with Viacom Enterprises, will provide stations with movies never aired on network tv.

Revenues for the cable division grew 27% to $40 million in 1984. New systems were completed in California, Minnesota and Oregon. Basic subscribers increased 28% to 185,000. Pay subscribers grew 34% to 175,000. Because of the $180 million going into the development of the two major systems in Tampa, Fla., and Montgomery County, Md., there was an operating loss of $5.8 million for the year. When completed, the new systems are expected to add an additional 150,000 to the subscriber list.

The major media focus last year was on its subsidiary bought for $21 million in 1981—the Chicago Cubs baseball team. Loyal Cubs fans who could still remember the team winning a pennant in 1945 were rewarded as the oft-maligned, club—dubbed the "doormat of the National League" by a favorite son (folk singer Steve Goodman)—came out roaring from the All-Star break to win the National League Eastern division.

MEDIA PROPERTIES

Broadcasting

TV: KWGN, Denver; WANX, Atlanta; WGN, Chicago; WGNO, New Orleans; WPIX, New York; KTLA, Los Angeles (pending).

RADIO: KGNR (am) and KCTC (fm), Sacramento, Cal.; WGN (am), Chicago; WICC (am), Bridgeport, Conn; WPIX (fm), New York.

Cable/video

Tribune Cable Communications Co., serving CALIFORNIA: Lakewood, Palmdale; MARYLAND: Gaithersburg, Montgomery County (79%); NEW MEXICO: Albuquerque; VIRGINIA: Alexandria; NEW YORK: Fredonia, Glens Falls, Oneida; MINNESOTA: Glencoe, Owatonna; MICHIGAN: Houghton/Hancock, Independence Township (80%); TENNESSEE: Jackson; OREGON: Milwaukie; FLORIDA: Tampa.

Newspapers (dailies)

CALIFORNIA: *Daily News*, Los Angeles; *Times-Advocate*, Escondido; *Peninsula Times Tribune*, Palo Alto; ILLINOIS: *Chicago Tribune*; FLORIDA: *Orlando Sentinel*; *Fort Lauderdale News* and *Sun-Sentinel*; NEW YORK: *Daily News*, New York.

Newspapers (nondailies)

The company operates 10 community newspapers through the Tribune Community Publications: *Trading Post* (Tulsa, Okla.), *Greensheet Shopper* (North Ridge, Calif.), *The Penny Saver* (Tinsley Park, Ill.), *Du-Page Today* (Westmont, Ill.). Sunbelt Publishing Co.: *Suncoast News* (Altamonte Springs, Fla.), *The Advertiser of Citrus County* (Inverness, Fla.), *Charlotte Shopping Guide* (Punta Gorda, Fla.), *Island Reporter* (Sanibel, Fla.), *Fort Myers Beach Observer* (Fla.), *Gold Coast Shopper* (Boca Raton, Fla.).

Media

Independent Network News, Tribune Entertainment Co., Ontario Paper Co. Ltd., Thorold Mill, Baie Comeau Mill, Manicouagan Power Co. (60%), Scierie des Outardes Enr. (40%), Tribune Co. Syndicate.

OTHER OPERATIONS

Chicago Cubs baseball team.

Turner Broadcasting Co.

Atlanta

RANK 45

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	266	201	32.0
Total sales	300	225	33.5
Net income	10	7	43.5
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	177	136	30.2
Cable	88	65	35.6

Turner Broadcasting Co., Atlanta, which ranked 45th among media companies in 1984 based on its media revenues of $265.8 million, up 32%, is playing a pivotal if not a vulnerable role in Ted Turner's bid to take over CBS Inc., especially if the bid turns into a protracted legal battle.

Without the bid, TBS could have expected net income of about $22 million in 1985. That figure has been pared to $16.5 million based on the $7 million to $8 million cost of the bid regardless of the outcome, says Bonnie Cook, financial analyst at J.C. Bradford & Co., Nashville.

TBS has been showing steady growth the past few years. It recorded a $7 million profit in 1983 and a $10 million profit in 1984. In the first quarter of 1985, the company reported a net loss of $741,000, a considerable improvement, however, from a loss of $5.3 million in the year-earlier period. The improved quarterly earnings picture is the result of higher subscriber rates at Cable News Network in 1985 and the impact of the purchase of Satellite News Channel (later folded) on profits in the first quarter of 1984.

During 1984, TBS' sole media profit source, superstation WTBS in Atlanta, had an operating profit of $65.8 million on revenues of $177.4 million for year-to-year increases of 52% and 27.1%, respectively. WTBS contributed 59% of total revenues of $299.7 million in 1984. CNN and its affiliate, CNN Headline News, posted an operating loss of $15.3 million on revenues of $88.3 million.

In Mr. Turner's bid for CBS, made this April, he asked the broadcast network's shareholders to exchange their shares for some TBS stock and high yield, high risk "junk bonds" with a face value of about $5.41 billion. TBS would ask for two years to redistribute properties that would violate cross-ownership restrictions. This would include TBS' syndication arm and CNN Headline News, as well as agreements with broadcast radio and tv stations. Final approval from federal agencies could take six months or more.

CBS quickly declared its strong opposition to the proposal. On April 25, 1985, Mr. Turner met with the Gannett Co. Sources suggested the two companies discussed joining together in the bid.

During 1984, Mr. Turner made an effort to cash in on the music video industry and launched the Cable Music Channel on Oct. 25. But an unreceptive market forced TBS to shut down CMC in a little more than a month, and earned CMC the title of the shortest lived national cable service.

MTV Networks bought out the service for $1 million in cash and a pledge to buy $500,000 of ad time on TBS' WTBS superstation, Cable News Networks and CNN Headline News. Also included in the deal were the CMC name and a 400,000-person subscriber list. Two weeks before the sellout, TBS had revised the CMC subscriber count to 400,000 from 2.3 million and reduced 30-second spot ad rates to $45 from $110. CMC's loss was $2.2 million prior to the $1 million payment from MTV Networks.

WTBS, which has been threatened by the success of other superstations, remains one of the most watched ad-supported cable services. It contributes 53% of the incremental revenue growth of the company. WTBS increased the number of households reached to 33.1 million by Dec. 31, 1984, up 16% from a year earlier.

The superstation reported $8.1 million net income on revenues of $78 million for the second quarter of 1984, representing nearly a doubling in net income. This was a 29.1% increase in revenues over the same period in 1983, when a net income of $4.3 million was recorded on revenues of $60.5 million. The gain was attributed to increased fees to cable operators and an improvement in the cable sales market.

During 1984, WTBS bid $60 million for the three-year exclusive cable rights to United States Football League games, but lost out to Entertainment & Sports Programming Network, which agreed to pay more than $70 million in cash. On June 27, 1984, TBS learned that the U.S. Supreme Court had abolished the 33-year-old centralized system under which college football rights were bought and sold. This established that TBS, along with ABC and CBS, were violating antitrust laws. The contracts became null, and previously paid amounts reverted back to WTBS and the networks. WTBS also lost the battle for tv rights to college football games to ESPN in June, 1984. However, TBS made an agreement with the Big Ten and the Atlantic Coast Conference for the cable and syndication rights to 25 football games airing Saturday evenings during the next two years.

Average rates per subscriber charged to operators for the new service carriage declined during the first quarter of 1984 when compared with the first quarter of 1983. However, average rates per subscriber over the next three quarters of 1984 increased over the comparable 1983 period and are expected to increase further during 1985.

Though CNN reported a profit for the first time in five years, in the three months ended in December, 1983, the service suffered a loss in the first quarter of 1984. Net income for CNN in 1984 was not available, but Mr. Turner says CNN has been nearing the break-even point and the increase in fees may help.

Some analysts predict CNN will be profitable in 1985. CNN now broadcasts live not only in the U.S., but also in Australia, Canada and Japan, as well as in other locations worldwide via the Armed Forces tv and radio network.

On Sept. 15, 1985, a satellite is scheduled to deliver a live English-language package of CNN and CNN Headline News to Europe. The projected market is cable systems. About 15 million U.S. cable homes now receive CNN Headline News programing.

CNN began boosting fee levels to subscribing systems to the extent permitted by contracts in 1984. According to company spokespersons, the increase is intended to result in a new fee structure that would lower fees if the system carries WTBS and make them even lower if all three TBS services are carried.

Not discussed in this media analysis is the TBS professional sports division, which accounted for revenues of $24.3 million in 1984. Mr. Turner owns 100% of the Atlanta Braves baseball team and 96% limited partnership interest in the Atlanta Hawks basketball team. Though the baseball franchise lost $2.9 million in 1984, TBS paid the operation $1 million for the right to broadcast 150 games.

MEDIA PROPERTIES

Broadcasting

TV: WTBS, Atlanta; CNN TV.

RADIO: CNN Radio.

Cable/video

Cable News Network, CNN Headline News, WTBS superstation services, Turner Program Services, international syndication.

OTHER PROPERTIES

Atlanta National League Baseball, owner of Atlanta Braves and farm clubs in Savannah, Ga.; Anderson, S.C., and Richmond Va.; Atlanta Hawks basketball team.

United Cable Television Corp.

Denver

RANK 78

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	141	115	22.0
Total sales	141	115	22.0
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	0	0	0
Cable	141	115	22.0

United Cable Television Corp., the nation's 78th largest media company with fiscal 1984 revenues of $140.7 million, all in cable, expects considerable growth in the current fiscal year as revenues begin to flow from its newly awarded Baltimore franchise and recently purchased Hartford, Conn., system.

Revenues at the Denver-based company, which owns 37 cable systems and is partner in four more, were up 21.1% to $124.7 million for the nine-months ended Feb. 28 of the new fiscal year. Much of the revenue growth is traced to United's 834,000 basic subscribers and 729,000 premium subscribers as of the end of April, percentage gains of 25.8% and 27.5%, respectively.

The big news at United Cable came at the beginning of 1985 when United was awarded Baltimore's 300,000-home franchise. United Cable is putting together the $70 million to $80 million needed to finance system construction. Then in April, 1985, United Cable agreed to buy for $61.5 million the 60,000-subscriber Hartford, Conn., system from Times Mirror Cable Television.

In March, 1985, United Cable bought six cable systems in suburban Tulsa, Okla., from Denver-based Tele-Communications Inc. and TCI Growth Inc. in exchange for new stock. The 11,500 subscribers in those systems were folded into United Cable's existing Tulsa operations.

United Cable recently won the franchise for Orion, Mich., an extension of its Oakland County system, and is proceeding with construction on new California franchises in Los Altos, La Puente, Baldwin Park, Pico Rivera, Hacienda Heights and South Whittier. Purchases from Tele-Communications Inc. became final in August, 1984, for mature systems in Golden, Lakewood and Jefferson County, Colo., and in Papillion, Neb.

Not all proposed deals went through. At the end of 1984, the company pulled out of a management contract with CommuniCom cable tv system in the Los Angeles area. It had been agreed that Neilson Enterprises would sell the CommuniCom system to a limited partnership formed by United, but according to a United spokesman, there was exceptional debt on the system, and financing negotiations became too difficult to pursue. The company wrote off a $1.3 million loss on expenses associated with the negotiations in the quarter ended Nov. 30, 1984.

And the company basically has scrapped its uplink program, in which it transmitted signals to satellites that bounced them into other markets. Once proposed as a possible expansion into business communications, the uplink project was stymied by proposed litigation from Mountain Bell.

The company has completed a tender offer expiring May 20 to buy back 2.02 million shares (about 16.6%) of its stock at $39.75 a share. The offer was aimed at stockholders who own fewer than 100 shares, in an effort to reduce service costs.

During the past year, United engaged in a major effort to stop cable pirating and to confiscate illegal equipment. These system "audits," in conjunction with an ad push, were completed in Denver; Boise, Ida., and Tulsa, Okla.

Following the success of local advertising in the Denver and Tulsa systems, United is pursuing efforts to expand ad sales throughout its other systems. The company estimates advertising will bring $1.2 million in revenues to the Denver system in fiscal 1985 and $900,000 in Tulsa alone.

MEDIA PROPERTIES

Cable/video

ARIZONA: Scottsdale. CALIFORNIA: Alameda, Baldwin Park, Cupertino (both 95% interest), and Foster City; East San Fernando Valley, Hacienda Heights, Hayward, LaPuente, Los Altos, Pico Rivera, San Leandro, San Lorenzo, South Whittier. COLORADO: Denver suburbs (74.5% interest), Golden and Lakewood, Grand Junc-

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tion. CONNECTICUT: Eastern Connecticut (80% interest), Hartford, Plainville. DELAWARE: Fenwick Island. IDAHO: Boise. ILLINOIS: Carpentersville (80% interest), Effingham, Galesburg (50% interest), Mendota, Monmouth (50% interest), Peru. INDIANA: East Chicago and Hammond (both 80% interest). LOUISIANA: Bossier City. MARYLAND: Baltimore, Berlin/Ocean City, Montgomery County (50% interest). MICHIGAN: Downriver Complex (80% interest), East Lansing, Lincoln Park (80% interest), Meridian, Oakland County (50% interest), Orion. MINNESOTA: Chaska, Shakopee. NEBRASKA: Bellevue (50% interest), Papillion, Tri-Cities (90% interest). NEW MEXICO: Gallup, Santa Fe. OKLAHOMA: Bristow, Catoosa, Drumwright, Glenpool, Jenks. Kiefer, Owasso, Sand Springs, Sapulpa, Tulsa and portions of Tulsa County and Creek County. TEXAS: Abilene, Anson, Hamlin, Jacksonville, Perryton, Rotan, Sweetwater, Tyler. UTAH: Moab. WYOMING: Casper. Also, STV-Home Entertainment Network: Cincinnati ON TV, Minnesota Pay TV Co. Spectrum.

OTHER OPERATIONS

United Paging Corp.

U.S. News & World Report

RANK 74

Washington

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	144	133	8.1
Total sales	N/A	149	N/A
Net income	N/A	N/A	N/A
Sales per medium			
Newspaper	0	0	0
Magazine	144	130	10.6
Broadcast	0	3	N/A
Cable	0	0	0

U.S. News & World Report, Washington, is the nation's 74th largest media company, with 1984 media revenues estimated by Advertising Age to be $143.8 million, up 8.1% over 1983.

Media totals include estimated net revenues of *U.S. News & World Report* and *Atlantic Monthly*, both properties of which are owned by Mortimer Zuckerman.

The first half of 1984 was a rough one for *U.S. News & World Report*, the nation's third largest newsweekly, and although it recovered strongly in the third and fourth quarters, 1984 ad pages still were down 1.6% from 1983. Ad revenues, however, showed an 8.2% increase.

The recovery had snowballed in 1985, with first-quarter figures showing *U.S. News* with the largest percentage gain in ad pages and revenue of any weekly or every-other-weekly consumer magazine in the country.

The other corporately owned magazine, *Atlantic Monthly*, continued to show impressive circulation and ad gains in 1984.

To say 1984 was a year of transition for *U.S. News* is an understatement. After 50 years of independent operation, U.S. News was bought last fall by Mortimer Zuckerman, a Boston real estate developer and publisher since 1981 of *Atlantic Monthly*.

Mr. Zuckerman moved quickly to make his imprint on *U.S. News*, both editorially and on the advertising and marketing side.

He appointed Shelby Coffey III as editor, replacing Marvin L. Stone, editor since 1976, who left for an expected appointment as deputy director of the U.S. Information Agency. Mr. Coffey, 38, had been assistant managing editor for national news at the *Washington Post*.

Harold Evans, formerly editor of the *Times* and *Sunday Times* of London, was named editorial director, as well as editor-in-chief at Atlantic Monthly Press.

David Gergen, former director of communications in the Reagan administration, and former Rep. Barber Conable, a leading congressional tax expert, were named contributing columnists. Kathryn Bushkin, press secretary to Sen. Gary Hart, was appointed a vp, responsible for coordinating special projects between the business and editorial sides of *U.S. News*.

Mr. Zuckerman brought in business-side executives from other publications, including Richard Thompson and James Mason from the two top business positions in *Business Week* to become publisher and associate publisher, respectively, of *U.S. News*.

Stephen A. Douglas, now *U.S. News* vp-research and development, had been director of strategic research at *Newsweek*. In another key appointment, Fred Drasner, vice-chairman of U.S. News & World Report, became president-ceo.

While ad gains have been impressive in the past several quarters—and insiders say much of the groundwork for those gains already had been laid by the time Mr. Zuckerman took over—editorial changes are more evolutionary in nature.

"We're really not ready to talk about editorial changes—we've only had our new editor since April 3," one *U.S. News* executive says. "But you can pick up some subtle changes—a little more sophistication and covers with more impact."

Insiders note the magazine's hiring of editorial and business personnel from other business-oriented publications, including *Business Week*, the *Wall Street Journal* and *Fortune*, make it obvious that *U.S. News* increasingly will be marketed toward the business and financial communities, both editorially and in advertising. "Look at whom they're hiring," one media watcher says. "The inference should be clear."

Two production changes are under way—color will be available for every page, primarily for editorial purposes (before, ads had been moved to available color pages), and the editorial closing time will be moved from 8 p.m. Friday to midnight, giving what one executive terms "four important hours of additional editorial coverage."

U.S. News circulation in 1984 remained virtually static at 2.1 million, compared with 4.6 million for *Time* and 3 million for *Newsweek*. The 1984 yearend ad figures were disappointing, with pages down 6% to 1,756, although ad revenues increased 8.2% to $101.5 million on a gross basis.

But most of the bad news came early in the year, and Publishers Information Bureau figures for the first quarter of 1985 showed *U.S. News* up 8.9% in pages and 14.6% in revenues from the first quarter of 1984—the largest gain, *U.S. News* officials say, of any weekly or every-other-weekly consumer magazine.

Ad revenues increased to $22.3 million, up 14% over the year-earlier period. During the same time, according to PIB, *Time* ad revenues were up 10.9%, and *Newsweek*'s were up 2.8%.

At *Atlantic*, the first-quarter 1985 PIB figures show a 16.9% increase in ad pages and a 25.5% increase in ad revenues from first-quarter 1984 figures, with revenues increasing to $1.6 million. Circulation has increased to a new base rate of 450,000 from 325,000 in 1982. The groundwork had been laid in 1984 when ad pages increased 14.8% to 591.4 for total revenues of $6.7 million, up 27.8%.

Mr. Zuckerman's purchase of U.S. News for $163 million last fall included substantial real estate adjoining U.S. News' new eight-story building. Two of the four then-vacant tracts are being developed with a Park-Hyatt hotel and an office building. Company officials will not disclose figures, but it's been estimated the properties in Washington's West End—adjacent to Georgetown—may be worth close to $500 million.

Parkway Communications, U.S. News' only broadcasting property—a classical radio programing service—was sold before Mr. Zuckerman's purchase of the company. A company official says the Parkway sale was "hardly worth mentioning" financially.

It's estimated that revenues from two newsletters published by U.S. News were about $5 million in 1984, the same amount as from Atlantic Monthly Press.

U.S. News' Publishers Service International, Carlstadt, N.J., had estimated annual revenues of about $30 million. The company, treated as nonmedia in this issue, is an electronic prepress operation, setting type and graphic data for a number of publications, primarily magazines, including *Business Week*, *Penthouse* and Conde Nast.

MEDIA PROPERTIES

Magazines

U.S. News & World Report, Atlantic Monthly, Atlantic Monthly Press.

OTHER OPERATIONS

Publishers Service International

Viacom International

RANK 44

New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	267	271	-1.5
Total sales	320	316	1.5
Net income	31	28	8.8
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	84	120	-30.2
Cable	184	152	21.3

Viacom International, a diversified communications and entertainment company, is the country's 44th largest media company, with media revenues of $267.3 million, down 1.5% from 1983.

Viacom, the nation's 10th ranked multiple system operator according to the Cabletelevision Advertising Bureau, had total revenues of $320.4 million, up 1.5% from the previous year, and net income of $30.6 million, up 8.8%.

Media totals come from cable television, and a broadcasting and other services segment that includes Showtime/The Movie Channel. Viacom's program distribution business is not included in media activity for this report.

Although media revenues slipped during 1984, they do not reflect the company's pro rata share in Showtime/The Movie Channel. Results of that cable network have been deconsolidated to be treated on an equity basis now that Viacom has traded its 100% ownership of just Showtime for 50% equity in Showtime/The Music Channel, a joint venture consumated with Warner Communications and Warner Amex Cable Communications Sept. 1, 1983.

Under the equity method in accounting, revenues of an entity that is deconsolidated no longer appear on the "parent's" financial statement. Only earnings, amounting to a company's ownership percentage, appear under equity investments, which in 1984 rose to almost $9 million, up from $1.5 million in 1983.

Had revenues from Showtime/The Movie Channel been included, revenues would have increased 34% in 1984 from 1983.

(Because of the merger on Sept. 1, 1983 of Showtime and The Movie Channel, eight months of revenues of Showtime appear on Viacom financial statements for 1983.)

The company suffered $2.6 million in losses from its equity in Lifetime, in which it has a one-third partnership. In 1984, the joint venture partners—Cable Health Network (an affiliate of Viacom), Hearst Corp. and ABC—announced plans to infuse the ailing Lifetime, an ad-supported cable tv network, with $25 million to upgrade programing. This includes $5 million to support it with stronger marketing and advertising.

Lifetime abandoned its bent toward heavy information, concentrating instead on entertainment, controversy and phone-in participation. Thomas Burchill, named president of the network in 1984, says Lifetime's intention is to become "glitzier."

The new format has resulted in major changes: 77% of the network's prime-time programing is new and the majority of the evening hours are all-talk shows. These include "Smart Money," a one-hour show on consumer finance; "America Talks Back," and "Good Sex!" with Ruth Westheimer, the most popular and highest-rated show in this network.

Company officials would not release figures of the network's performance since the overhaul, but they do indicate it is doing "10% above projected revenue for 1985." Moreover, the call-in shows average 3,000 viewer calls per show, according to a company spokesperson.

Revenues from cable tv operations increased 21% over-all in 1984 over 1983, primarily because of increases in the number of basic and pay subscribers and in rates. The number of basic cable subscribers rose 9%, to 790,000 by yearend. Pay cable units also rose in the number of subscribers, by 10% to 645,000.

The cable tv division welcomed the passage of the Cable Communications Policy Act of 1984, which brought regulatory relief to the industry. In most cases it eliminates the local governmental regulation over rates and sets a 5% limit on customer fee increases that can be imposed by system operators.

Within the broadcasting and other services segment, comprised of Showtime/The Movie Channel and radio and tv properties, revenues from radio and tv stations rose 32% in 1984 over 1983. The company attributes this to improved radio formats and tv programing. Showtime/The Movie Channel's conversion to the equity method of reporting resulted in a drop of revenues in 1984 to $83.6 million, down from $119.8 million in 1983.

Early in 1984, the company made a format change for one of its radio stations, WKHT, New York. The country format was dropped in favor of adult light contemporary, and the call letters were changed to WLTW-FM. According to a corporate spokesperson, the station is "going gangbusters" since the switch. No figures were available, however. Company officials attribute this success to the new format being better suited to the market and the station playing more music and having fewer breaks.

Its tv stations also have improved performance as a result of program fine-tuning. For example, WHEC-TV in Rochester, N.Y., moved to the No. 1 position, up from second place. And WNYT-TV in Albany moved from third to second place in its market.

Viacom continued its acquisition strategy, adding another radio station, WEAM in Virginia, for $1.2 million. In December, the company also announced a definitive agreement to purchase radio station WKDJ in Memphis for about $1.5 million. The completion of this purchase brings the company's holdings to four tv and eight radio stations.

Showtime/The Movie Channel, the joint venture of Viacom, Warner Communications and Warner Amex Cable Communications, gained in market share in 1984, with a total of some 8.5 million subscribers. The five-year agreement with Paramount Pictures, for exclusive national pay tv rights to its theatrical motion pictures, continues to bring excitement with upcoming hits such as "Beverly Hills Cop" and "Star Trek III." In early 1984, the service acquired the Spotlight pay tv service, which added nearly 700,000 subscribers.

In other developments last year, Viacom Enterprises announced plans for an ad-supported videocassette on fitness, featuring athlete Steve Garvey. This "life-style" tape, as it is dubbed by company officials, is still on the drawing board, but it is likely to feature exercising in "natural environments" such as the home or office. The advertising in it will be soft-sell, such as the use of the sponsor's products as props in the setting.

Viacom Enterprises and Tribune Entertainment Co. entered an agreement to launch a prime-time syndicated program service, called TV Net. A company spokesperson says the service, launched earlier this year, is "very successful," and now reaches 92% of all U.S. households.

MEDIA PROPERTIES

Broadcasting

TV: KSLA, Shreveport, La.; WVIT, New Britain/Hartford/New Haven/Waterbury, Conn.; WHEC, Rochester, N.Y., and WNYT, Albany/Troy Schenectady, N.Y.
RADIO: KIKK (am), Pasadena and KIKK (fm), Houston, Tex.; WMZQ (fm), Arlington, Va.; WLAK (fm), Chicago; WLTW (fm), New York; WRVR (fm), Memphis. Agreement to purchase WKDJ (am) in Memphis, Tenn.

Cable/video

CALIFORNIA: East Bay, Pittsburg, Redding and Red Bluff (Finer Living System); Oroville and Paradise (Oroville System); Sonora, San Rafael, Mountain View, Petaluma and Healdsburg (Sonoma System); Napa and Pinole (Napa System) and San Francisco. NEW YORK: Suffolk County, L.I. OHIO: Cleveland, Dayton. OREGON: Salem. TENNESSEE, Nashville. WASHINGTON: Everett and Oak Harbor (Snohomish System), Redmond. WISCONSIN: North Shore and Greenfield (Milwaukee System). In addition: Cable Interconnects: Bay Area; Northwest Cable. Cable Programing Services: 50% interest in Showtime/The Movie Channel; Lifetime (33%).

OTHER PROPERTIES

Viacom Enterprises and Viacom Productions, movie, tv, cable, home video distribution and production; Viacom World Wide, MGS Services and the licensing and merchandising division.

Warner Communications

RANK 42

New York

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	271	251	8.0
Total sales	2,024	1,723	17.4
Net income	-586	-417	-22.7
Sales per medium			
Newspaper	0	0	0
Magazine	35	32	7.8
Broadcast	0	0	0
Cable	237	219	8.0

Warner Communications, New York, is being carved apart—its MTV Network went public last year, its record division is on the auction block and Warner Amex may be sold—as the company sidesteps the takeover mine field in an effort to go private.

What will be left of the company to go private will be its movie studio, the backbone of Warner Communications. Reportedly, Steven J. Ross, chairman-chief executive officer, has approached a number of Hollywood celebrities to participate in a buyout.

Warner is the 42nd largest media company, with media revenues estimated by Advertising Age at $271 million in 1984, up 8% from 1983. Total revenues for the troubled communications and entertainment conglomerate were up 17.4% in 1984 to $2.02 billion, but net income losses amounted to $586 million, compared with net income losses of $417 million in 1983.

During 1984 Warner halved its corporate overhead costs, mostly by reducing its staff and executive ranks, and the company took other actions to improve its financial situation. The results of these efforts showed up in the first quarter of 1985, with reported profits from ongoing lines of $21.4 million, triple 1984's first-quarter earnings of $7.2 million. Revenues in the same period rose 19% to $562.9 million.

Warner's media revenues derive from its 50% ownership in Warner Amex Cable Communications (American Express Co. owns the other half) and from Mad magazine and DC Comics, businesses of the company's publishing division. Warner Amex primarily distributes broadcast tv signals and satellite programing to cable subscribers. In the past, it has operated at a loss mainly because of the large costs of building new urban cable systems, starting them and the low initial rate structures in certain systems.

Operating losses from Warner's broadcast and cable operations, including its interest in Warner Amex, shrank to $4.4 million in the first quarter of 1985, from $16.3 million in the corresponding period a year earlier.

For the year, losses were minimized by proceeds from the July, 1984, sale of MTV: Music Television and Nickelodeon by Warner Amex Satellite Entertainment Co., a unit of Warner Amex. The unit was sold to MTV Networks, a new company, for $67.7 million in cash and a 66.1% stock ownership by Warner in MTV Networks. *(See profile on MTV Networks on Page 44 for further details.)*

Other actions taken by Warner Amex during 1984 to reduce losses included selling major urban cable systems in Pittsburgh and in the suburbs of Chicago and St. Louis. These systems, with a total of about 136,000 subscribers, were expected to continue to record losses because of the extraordinary high construction and startup costs.

Warner also sold 20 smaller systems in eight states, with a total of about 52,000 subscribers. Eight of these systems, with total subscribers of about 30,000 located outside Los Angeles and Hood River, Ore., were sold to comply with an FCC order resulting from Warner's acquisition in 1983 of 42.5% of BHC, a subsidiary of Chris-Craft Industries. BHC owns and operates six tv stations in the same areas as the Warner Amex cable systems. The FCC will not permit cable and broadcast tv station crossownership in the same market.

In addition, Warner Amex sold Home Sports Entertainment, a regional sports pay channel operation in Houston and Dallas, and Warner Amex Security Systems, its home security and medical alert service businesses. The two sales enabled Warner Amex to reduce its indebtedness to $550 million at the end of 1984, from $852 million at the end of 1983, and also to reduce its lines of credit to $624 million, from $875 million over the same period.

In June, 1985, American Express signed an agreement with Time Inc.'s American Television & Communications subsidiary and Tele-Communications Inc., both of Denver, to sell Warner Amex Cable Communications Corp. for $850 million in cash and assume $500 million in debt. Warner, however, must approve the deal as a joint venture partner.

There was speculation at the time Warner was presented with the deal from partner American Express that a group led by Drew Lewis, Warner Amex chairman, also was seeking to buy the cable unit from Warner. Viacom International also submitted an offer to buy Warner Amex along with Warner's two-thirds interests in MTV and Showtime/The Movie Channel. Warner owns 31% of Showtime, Viacom 50% and American Express, 19%, through its Warner Amex investment. Showtime/The Movie Channel provides 24-hour-a-day programing for pay cable.

In May, 1985, Warner approached Motown Record Corp., Los Angeles, to see if Motown might want to buy its record division. Jay Lasker, Motown's president-chief operating officer, approved such an acquisition, although a formal deal has yet to be struck. Warner's record unit controls about 17% of the U.S. market, about the same as RCA Records. CBS Records is largest with about 23% of the market.

Warner's record division turned in its strongest quarter ever in the first quarter of 1985, posting a pretax operating profit of $30.2 million, up 42% from 1984's first quarter. Both the Warner Bros. and Atlantic Records units have strong sales with such artists as Madonna and Phil Collins.

In other actions to reduce losses, in July, 1984, Warner sold the home videogame and computer divisions of its Atari holdings to what is now called Atari Corp. for $240 million in notes. In February, 1985, the company sold the controlling interest in Atari's coin-operated games division and expects to sell 46 coin-operated videogame rooms owned by Atari Adventure Corp., a wholly owned unit of Atari, sometime in 1985.

Warner Cosmetics, Warner Leisure and its controlling interest in the Cosmos Soccer Club also were sold in 1984.

In March, 1985, Warner sold 85% of its Franklin Mint Corp. to American Petroleum Industries for $96 million cash and about $66 million in 9%

What is 'media'?

Pinning a definition on media is like trying to pin Jell-O to the wall. As soon as a consensus is seemingly reached, "media" slips out from under those constraints.

This year, 18 of the companies on the top 100 media chart contained "communications" in their titles, a word that seems broad enough in the case of many of these companies to still identify activities that ranged far from the classical forms of media that show up in the names of most media companies: Broadcasting, newspapers, printing, publishing and even media.

Drawing a cue from the implied idea that "communications" is more than media (but not that much more), the editors opened up their traditionalist eyes to let new forms of communications slip under the media door.

ADVERTISING AGE's definition of media in this fifth annual report has opened up to encompass total market coverage units within newspaper companies in general, and also from companies as freestanding as their inserts—in short, direct marketers.

Videodiscs, subscription-based information networks that provide everything from electronic news services to analysis of corporate returns and commodity information to farmers, and unique media like the *Wallpaper Journals*—13-30/Esquire's wall poster ad medium that changes every two weeks on college campuses—were merged into the definition as well.

Media, of course, continues to be cloaked in the traditional mantle in which revenues from communications vehicles are derived from advertisers or subscribers—which is the language that ruled the first few AD AGE top 100 media issues.

Still on the doorstep, but not included in ADVERTISING AGE's interpretation of media, are program production, motion pictures, syndication activities, book publishing and revenues derived by ad rep companies for sales made to nonowned broadcast stations. The classical view still dominates.

But what about those companies fixated on electronic catalogs or mass Mylar balloon floatings? Will they be the "media" of the future?

Return on sales of publicly held leading media companies

	1984 ($000)				1983 ($000)			
Company	**Return on sales**	**Total sales**	**Net income**	**Media sales as a % of co.'s sales**	**Return on sales**	**Total sales**	**Net income**	**Media sales as a % of co.'s sales**
A.H. Belo Corp.	25.7	$354,300	$91,100	99.8	21.8	$242,600	$52,900	99.8
MTV Networks Inc.	23.2	109,500	25,433	100.0	(12.0)	49,800	(5,967)	100.0
Dun & Bradstreet	21.8	2,397,300	521,561	58.4	10.6	2,060,500	218,651	63.2
McGraw-Hill	20.9	1,401,800	292,300	68.7	20.2	1,295,200	262,000	67.9
LIN Broadcasting Corp.	19.5	148,800	29,088	96.0	21.9	107,300	23,500	95.1
Capital Cities Communications	15.2	939,700	143,000	100.0	15.1	762,300	115,000	100.0
Playboy Enterprises	14.6	187,100	27,336	88.9	(9.0)	193,700	(17,493)	81.8
Park Communications	14.3	98,000	14,053	100.0	13.0	86,300	11,180	100.0
Lee Enterprises	14.1	190,000	26,749	96.2	13.2	172,600	22,774	96.2
Dow Jones & Co.	13.4	965,620	129,140	95.9	13.2	866,437	114,224	94.3
Gannett Co.	11.4	1,960,200	223,934	100.0	11.2	1,703,700	191,665	98.1
Harcourt Brace Jovanovich	11.3	712,500	80,700	16.8	9.4	648,800	60,700	15.6
Multimedia Inc.	11.1	304,400	33,700	100.0	13.0	269,700	35,174	100.0
Cox Communications	10.5	742,800	77,900	92.1	10.6	614,600	65,400	87.5
Journal Co.	10.0	339,500	34,100	58.1	8.8	302,700	26,700	58.6
Viacom International	9.6	320,366	30,597	83.4	8.9	315,577	28,129	86.0
SFN Cos.	9.0	320,600	28,800	43.7	9.6	275,600	26,500	7.7
Washington Post Co.	8.8	984,300	85,888	100.0	7.8	877,400	68,394	100.0
Taft Broadcasting Co.	8.6	453,824	39,156	37.8	10.0	380,955	38,035	37.0
Meredith Corp.	8.5	450,600	38,400	72.6	7.4	447,800	33,300	64.5
Knight-Ridder Newspapers	8.4	1,664,700	140,000	100.0	8.1	1,473,400	119,435	100.0
Times Mirror Co.	8.3	2,804,800	232,700	70.9	8.0	2,491,200	199,600	66.9
New York Times Co.	8.1	1,229,600	100,200	100.0	7.2	1,091,300	78,700	100.0
Media General	7.3	547,661	39,760	55.7	7.1	507,784	35,907	62.0
Time Inc.	7.1	3,067,000	216,398	84.0	5.3	2,717,000	143,225	82.8
Maclean Hunter Communications	7.0	704,100	49,205	38.4	9.2	518,100	47,702	22.2
Cowles Media Co.	6.8	232,000	15,700	100.0	13.6	209,500	28,500	100.0
Pittway Corp.	6.4	496,000	31,683	23.2	6.1	432,000	26,276	22.7
Tribune Co.	5.7	1,794,400	103,043	89.0	4.4	1,586,500	69,267	88.1
American Broadcasting Cos.	5.3	3,707,713	195,332	98.4	5.4	2,948,849	159,834	95.5
Westinghouse Electric Corp.	5.2	10,264,500	535,900	9.2	4.7	9,532,600	449,000	8.4
American Express Co.	4.7	12,895,000	610,000	2.2	5.3	9,770,000	515,000	2.6
CBS Inc.	4.3	4,924,900	212,353	67.8	4.1	4,540,200	187,198	59.1
Tele-Communications Inc.	3.9	449,416	17,382	100.0	5.6	368,400	20,532	94.3
RCA Corp.	3.4	10,111,600	341,000	23.4	2.5	8,977,300	227,000	23.3
Turner Broadcasting Co.	3.4	299,700	10,062	88.7	3.1	224,532	7,012	89.7
John Blair & Co.	1.2	842,400	10,456	69.5	4.4	414,300	18,306	52.3
Chris-Craft Industries	(7.4)	166,400	(12,300)	88.2	2.8	140,500	4,000	86.8
Ackerley Communications	(7.5)	97,900	(7,300)	92.0	(1.0)	79,500	(769)	100.0
Metromedia Inc.	(8.0)	646,081	(51,382)	66.6	(19.2)	532,800	(102,179)	72.0
Warner Communications	(29.0)	2,023,513	(586,099)	13.4	(24.3)	1,723,209	(417,803)	14.6
TOTALS	5.8	72,350,594	4,177,028	45.9*	5.1	61,952,543	3,126,509	43.6*
AVERAGES	8.0	1,764,649	101,879	70.7	6.5	1,511,037	76,257	70.5

Source: Sales and income figures from company sources and annual reports. Media revenues are Advertising Age estimates.

*** Media revenues as a % of these 41 companies' total revenues**

seven-year notes. In the same month, it also sold its wholly owned subsidiaries, Eastern Mountain Sports and Panavasion. The company's 48% interest in the Pittsburgh Pirates baseball team is also on the block.

The Warner Bros. movie division—the subject of all the carving up of Warner Communications—had a first-quarter, 1985, pretax profit growth of only 3% to $40.6 million, compared with the first quarter of 1984, which was especially strong because of the release of its hit "Police Academy."

MEDIA PROPERTIES

Cable/video

Franchises of Warner Amex Cable Communications. ARIZONA: Flagstaff, Kingman, Parker, Sedona. ARKANSAS: Booneville, Clarksville, Fayetteville, Paris, Russellville. CALIFORNIA: Avenal, Bakersfield, Barstow, Blythe, Palm Springs, Taft. FLORIDA: Crestview, Fort Walton Beach, Lake City, Niceville. ILLINOIS: Altamont, Danville, DeKalb, Rochelle, St. Almo, Sycamore. INDIANA: Union City, Warsaw. MASSACHUSETTS: Athol, Chelsea, Dalton, Everett, Lynn, Pittsfield, Salem, Somerville, Swampscott, Wakefield, Winthrop. MICHIGAN: Menominee. MISSISSIPPI: Batesville, Cleveland, Lambert, Marks, Yazoo City. NEW HAMPSHIRE: Berglin, Claremont, Nashua. NEW JERSEY: Avalon. NEW YORK: Olean. OHIO: Akron, Alliance, Canton, Circinnati (city), Cincinnati (suburbs), Columbus, Cridersville, Delphos, Fort Shawnee, Kenton, Plain Township, Sandy, St. Mary's, Sidney, Wapakoneta, Youngstown. OREGON: Coos Bay, Myrtle Point. PENNSYLVANIA: Altoona, Bradford, Chambersburg, Clearfield, Marietta, Morrison Cove, Newport, Pottsville, Reedsville, Roaring Springs, Warren. TENNESSEE: Kingsport. TEXAS: Houston (suburbs), Houston (NW & suburbs), Houston (SW & suburbs), Houston (Meyerland area). Texas systems under contract to be sold to Heritage Communications: Dallas, Farmers Branch, Mesquite. VERMONT: Bellows Falls, Brattleboro, Bristol (under contract to be sold). VIRGINIA: Hampton, Harrisonburg, Reston, Williamsburg. WEST VIRGINIA: Hampton, Harrisburg, Poquoson, Reston, Williamsburg. WEST VIRGINIA: Martinsburg. WISCONSIN: Marinette, Marshfield, Menasha, Merrill, Neenah, Oshkosh. Owns 60% of Garden State Micro Relay. Also, joint venture partner in Warner Amex Satellite Entertainment Co., which supplies and distributes two advertiser-supported services, Nickelodeon and MTV: Music Television and one pay service, The Movie Channel.

Other media properties

DC Comics, "Mad" magazine, "Mad" Specials.

OTHER OPERATIONS

Consumer Electronics and toys, direct-response marketing, filmed entertainment, recorded music and music publishing.

Washington Post Co.

RANK 13

Washington

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	984	877	12.2
Total sales	984	877	12.2
Net income	86	68	25.6
Sales per medium			
Newspaper	516	440	17.3
Magazine	332	302	9.9
Broadcast	136	120	13.3
Cable	0	0	0

Washington Post Co., with revenues of $984.3 million, all in media, continues to diversify into more communications areas with the acquisition of Capital Cities' cable operation, its first entry in the cable business.

The Washington-based company in June, 1985, agreed to pay Cap Cities $375 million for its 55 systems with 365,000 subscribers that rank the cable unit 20th among systems operators, according to Cabletelevision Advertising Bureau Inc., New York.

The company, which earlier in the year purchased 17% of Cowles Media Co. for $55 million, was ranked the 13th largest media company on the basis of its media revenues, which in 1984 represented an increase of 12.2% over 1983. The year was a profitable one as net income increased 26% to $85.9 million.

During 1984, Washington Post Co. generated $517 million from its newspaper division dominated by the *Washington Post*, up 13% from 1983; $332 million from magazines, up 10%; and $136 million from broadcast, up 14%.

Acquisitions will stimulate revenues even more in 1985. The Cap Cities properties contributed $76.3 million in revenues to Cap Cities in 1984. The Post Co. did sell its holdings in cable tv sports channels to CBS for $25 million. In addition to cable revenue contributions in 1985, the company will add revenues from its 99% stake in a Miami cellular telephone license, an investment made in 1985.

The newspaper division continued to perform well in 1984, climbing 20% in operating income to $95 million. *Newsweek*, the company's magazine property, had an exceptionally strong year, showing a 44% increase in operating income to $22 million. Post president Richard Simmons says a 3% reduction in the magazine's fulltime staff contributed to the resulting gains.

The four Post-Newsweek tv stations increased income 29% to $51 million in 1984.

Washington Post Co. in March, 1985, paid $55 million for the 17% stake in Cowles, a family-owned company that owns the *Minneapolis Star & Tribune* and controlled the Des Moines Register & Tribune Co. until its buyout in March, 1985, by Gannett Co.

Mr. Simmons insists the buy is merely an investment, and the Post has no intention of buying a controlling interest in Cowles.

The *Washington Post* newspaper produced ad revenue of $390.7 million in 1984. It gained 0.4% in daily circulation to 771,253 on March 31, 1985, a six-month average compared to the similar period in 1984 according to Audit Bureau of Circulations. Sunday circulation rose 2.2% to 1,065,782 for that period.

The newspaper, seeking to attract younger readers and strengthen its already dominant position in the market, in January, 1985, launched *Health*, a weekly tabloid insert designed to appeal to healthcare advertisers and health-conscious young adults.

The *Post* in April broke its first tv image campaign, the brainchild of newly hired marketing director Pierce DeGross, counting on the spots to sway younger readers to pick up the paper.

The *National Weekly*, a spinoff started in 1983, reached 47,406 circulation in 1984.

Newsweek's rate base climbed to 3 million in 1984, an increase of 50,000. It once again held the lead in ad pages among newsmagazines with 3,003.5 pages in 1984, up 2% from 1983. Gross ad revenues rose 13% to $247.1 million in 1984, according to Publishers Information Bureau. *Time*, for example, had 2,817.5 ad pages, up 4.2%, and ad revenues of $335.6 million, up 12.1%.

Mr. Simmons expects to decide soon whether *Newsweek* will publish a Japanese-language edition. It would be the first time a newsweekly ran a foreign-language edition, Mr. Simmons says. *Newsweek International's* combined rate base for its three editions is 655,000.

In July, 1984, the newsmagazine began co-publishing with Australia's dominant newsweekly, the *Bulletin*. A 24-page section of *Newsweek* is bound into every issue of the *Bulletin*. The venture boosted *Newsweek's* Pacific edition rate base to 305,000, from 230,000.

Domestically, *Newsweek* will concentrate on special sections. Last fall it put out a successful publication covering technology, *Newsweek Access*, which it will produce again this fall, Mr. Simmons says. Editions for college students, women and executives will continue.

The Post Co.'s four tv stations had operating margins increase 39% in 1984. WDIV, Detroit, moved into first place in 1984 in that market, according to Nielsen. The Post Co.'s other stations are also top-ranked in their markets.

Mr. Simmons says first-quarter 1985 increase of 15% in revenue for the stations "substantially outstripped the industry."

The Post Co. probably will not buy more tv stations in 1985. "We continue to look at all of the deals," Mr. Simmons says. "At the current moment, prices are a little too extravagant for our tastes."

The *Herald*, Everett, Wash., had a 3.3% decrease in daily circulation to 53,957 in 1984, according to the March 31, 1985 ABC audits. Advertising inches increased 7%, but the paper did not make a profit in 1984, Mr. Simmons says. He predicted the *Herald* would be in the black in 1985.

In nonmedia areas, Post Co. has decided not to accept any more cellular radio partnerships unless it has a controlling interest, Mr. Simmons says. The FCC recently awarded the Post Co. a 95% interest in a Miami cellular radio franchise. Mr. Simmons says the company will invest $30 million in that system in 1985 and 1986.

The Post Co., which lost $3 million from cellular systems in 1984 and projects 1985 losses of $8 million, holds a 20% interest in Baltimore and Washington cellular telephone franchises, which should be profitable by 1986, Mr. Simmons says. A Detroit operation in which the Post Co. owns 18% will be operational soon.

In January, 1985, the Post Co. and its partner, Cablevision Systems, Woodbury, N.Y., sold part of their investment in four regional cable sports network to CBS Inc. The Post Co., which lost $10 million on those operations in 1984, said it received about $25 million from the sale. Mr. Simmons says the company will remain in that business, which he expects to be profitable in 1987.

The Post Co. now owns one-third of SportsChannel ventures in New York, Philadelphia and Chicago and one-sixth of SportsChannel New England. It invested $20 million in the SportsChannels in 1984.

The Post in late 1984 purchased the Stanley H. Kaplan Educational Centers, which had 1984 revenues of $35 million. The centers help prepare students for college admission tests.

The company in April also repurchased $135 million of its Class B common stock.

MEDIA PROPERTIES

Broadcasting

TV: WDIV, Detroit; WPLG, Miami; WFSB, Hartford, Conn.; WJXT, Jacksonville, Fla.

Cable/video

SportsChannel Associates, New York (33% owned); SportsChannel New England, Boston (16% owned); SportsChannel PRISM, Philadelphia (33% owned); SportsChannel Chicago Associates (33% owned).

Magazines

Newsweek, Newsweek International.

Newspapers

DISTRICT OF COLUMBIA: *Washington Post, The Washington Post* weekly edition. WASHINGTON STATE: *The Herald.*

Other media operations

The Washington Post Writers Group (feature syndicate), Legi-Slate (electronic data publishing), Los Angeles Times-Washington Post News Service Inc. (50% owned), *International Herald Tribune* (33% owned), National Journal Inc. (20% owned), Cowles Media Co. (17% owned).

OTHER OPERATIONS

Robinson Terminal Warehouse Corp. (newsprint handling and storage), Bowater Mersey Paper Co. Limited (49% owned), Bear Island Paper Co. (33% owned), Cellular Radiotelephone Systems (Washington and Baltimore, 20% owned; Detroit, 18% owned), Stanley H. Kaplan Educational Centers.

Westinghouse Electric Corp.

RANK 15

Pittsburgh

($ figures = 000,000)

Corporate returns	1984	1983	% chg
Media sales	945	802	17.8
Total sales	10,265	9,533	7.7
Net income	536	449	19.4
Sales per medium			
Newspaper	0	0	0
Magazine	0	0	0
Broadcast	196	175	12.0
Cable	749	627	19.4

Westinghouse Electric Corp., Pittsburgh, had an increase of 17.8% in media revenues of $945 million in 1984 from its Westinghouse Broadcasting & Cable to rank as the 15th largest media company.

Media revenues included contributions from radio stations and cable tv outlets. About $748 million in revenues came from Group W Cable operations and the remainder from broadcasting.

Group W Cable ranks as the third largest multiple system operator with basic subscribers of 2,013,000 in 1984, according to Cabletelevision Advertising Bureau Inc., New York.

Program syndication revenues of about $50 million are not included in the total.

Media at Westinghouse contributed 9.6% of total revenues of $10.27 billion, which were up 7.7% over corporatewide revenues in 1983. Operating income from media, which increased 49% in 1984 to $71.2 million, was 11.7% of total operating income.

Westinghouse reported first quarter 1985 sales of $2.31 billion, up 1.8% from the first quarter of 1984, and net income of $129.7 million, up 11.2%. The company said broadcasting and cable tv operations showed the biggest increase among its business segments in profitability, but did not provide figures.

During the year, Group W Radio purchased KQXT (fm) in San Antonio, an easy-listening format station, from Tichenor Media Systems for a reported $7 million. It also finalized the sale of NBC affiliate WPCQ-TV in Charlotte, N.C., ending a four-year foray into the tv business in that market.

The Charlotte station was sold to Odyssey Partners of New York for $24.3 million. The station was unable to gain a foothold with two competing vhf stations in the market. In the rating period prior to its sale, WPCQ attracted a 3 rating (percentage of tv households in the market) and 9 share (or percentage of tv homes with sets in use) from sign-on to sign-off. The struggling station had dropped its "NBC Nightly News" in 1982.

Westinghouse has five other affiliates, including two CBS affiliates, KPIX, San Francisco, and KDKA, Pittsburgh; two NBC affiliates, WBZ, Boston, and KYW, Philadelphia; and ABC affiliate, WJZ, Baltimore.

Group W Satellite Communications launched Home Team Sports, a regional pay cable services serving a five-state region from the Washington-Baltimore area.

Televising its second year of Baltimore Oriole baseball, Washington Capital hockey, Washington Bullet basketball, Baltimore Blast indoor soccer and college football and basketball, the service has grown to 82,000 subscribers.

Group W Satellite Communications also markets and distributes The Nashville Network, a country-oriented cable program owned by Oklahoma Publishing Co. and offered in partnership with the Grand Ole Opry. Subscribership for the network increased by more than 50% to 20 million.

Group W during the year grew to 140 cable systems serving 605 communities in 34 states. It was awarded two major franchises in 1984 in Chicago where it has formed a limited partnership, and became the first operator to begin installation in the city.

The cable group also is attempting to ward off wholesale cancellation of service by those who purchase videocassette recorders. Vcr users often disconnect cable service temporarily until the flush of home movie watching has passed. Group W says about 35% of its cable customers are outfitted with vcr's, up from 30% a year ago. Group W launched an ad campaign, created in-house, to show vcr owners how to hook up their machines without disrupting cable service. Copy in bill stuffers, direct-mail pieces, newspaper ads and local cable commercials ends with: "All you need is your cable and your vcr."

In executive changes, Pat Polillo, vp-general manager of KYW-TV in Philadelphia, was named corporate vp-East Coast for Westinghouse Broadcasting & Cable. Jane Hartley was named acting vp-corporate communications for Westinghouse Broadcasting & Cable from vp-markets development, Group W Cable. Also, Zvi Doron was named vp-international projects, a new post at Westinghouse Broadcasting & Cable, from vp-business development, Group W Satellite Communications.

MEDIA PROPERTIES

Broadcasting

TV: KPIX, San Francisco; WJZ, Baltimore; WBZ, Boston; KYW, Philadelphia; KDKA, Pittsburgh.

RADIO: KJQY (fm), San Diego; KFWB (am), Los Angeles; KOSI (fm) Denver; KQXT (fm), San Antonio, WIND (am) Chicago; WBZ (am), Boston; WINS (am), New York; KYW (am), Philadelphia; KDKA (am); KQZY (fm), Dallas; KODA (fm), Houston; KQXT (fm), San Antonio.

Cable/video

All designated Group W Cable unless otherwise indicated. ALABAMA: Dothan, Florence, Gadsden, Huntsville, Mobile, Tuscaloosa. ARIZONA: Prescott. CALIFORNIA: Buena Park, Eagle Rock, Fontana, Fort Bragg, Fullerton, Gardena, Grand Terrace, Hawthorne, Lompoc, Loma Linda, Los Angeles, Newport Beach, Ontario, Reedley, San Bernardino, Santa Ana, Santa Cruz, Santa Maria, Seal Beach, Sherman Oaks, Sierra Madre, Simi Valley, South Gate, Tahoe, Torrance, Ukiah, Willits. COLORADO: Trinidad. CONNECTICUT: Danbury, Middletown. FLORIDA: Boca Raton, De Land, Haines City, Hillsborough County, Jupiter/Riviera, Lakeland, Lakeworth, Manatee County, Marianna, Panama City, Perry, Quincy, St. Petersburg, Tallahassee, West Palm Beach, Winter Garden. GEORGIA: Dublin, Milledgeville, Swainsboro, Thomasville, Valdosta. HAWAII: Hawaii Kai (50% interest). IDAHO: Lewiston, Pocatello. ILLINOIS: Chicago, Galena, Glen Ellyn, Rock Island, Skokie. IOWA: Dubuque. KANSAS: Liberal. LOUISIANA: Baker/Zachery, Leesville. MAINE: Caribou. MICHIGAN: Dearborn, Grosse Pointe (25% interest), Wayne. MINNESOTA: Anoka, Blaine, Brainerd, Burnsville/Egan, Columbia Heights, Duluth (80% interest), Rochester, Roseville, White Bear Lake, Winona. MISSOURI: Columbia, St. Charles, St. Louis. MONTANA: Great Falls, Kalispell, Missoula. NEBRASKA: Fallon, Reno. NEW HAMPSHIRE: Keene. NEW JERSEY: Mahwah, Wildwood. NEW MEXICO: Farmington, Lovington, Portales, Silver City, Tucumcari. NEW YORK: Brockport, Elmira, Ilion, Islip, Jamestown, Manhattan, Mount Vernon, Newburgh, Oswego, Warwick. OHIO: North Ridgeville, Portsmouth. OREGON: Baker, Coquille, Eugene, LaGrande. SOUTH CAROLINA: Greenwood. TENNESSEE: Henderson, Lexington, Milan, Savannah, Union City. TEXAS: Baytown, Commerce, El Paso (74% interest), Galveston, Graham, Grapevine, Irving, Lewisville, Palestine. VIRGINIA: Richlands. WASHINGTON: Auburn, Seattle, Tacoma, Walla Walla, Wenatchee. WEST VIRGINIA: Clarksburg, Fairmont. WISCONSIN: LaCrosse.

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